FOREIGN AFFAIRS

AN AMERICAN QVARTERLY REVIEW

JVLY

1931

VOL·9 NO·4 $1·25 A COPY

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The New York Trust Company

Capital, Surplus and Undivided Profits $48,000,000

COMMERCIAL BANKING
DOMESTIC *and* FOREIGN

CORPORATE
and
PERSONAL TRUSTS

---

100 BROADWAY
40TH STREET AND MADISON AVENUE
57TH STREET AND FIFTH AVENUE

Kindly mention FOREIGN AFFAIRS *when writing to advertisers*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SAVING MONEY

FOR TELEPHONE SUBSCRIBERS

DURING the past fifty-five years, the constant effort of the Bell System has been to provide efficient telephone service for all the people at the lowest possible price. There are many instances of substantial savings for subscribers.

Since the latter part of 1926 the reductions in long distance rates have been particularly marked. For example, a telephone call across the country from New York to San Francisco now costs $9 instead of $16.50. Reductions have also been made for lesser distances. Each of the new rate schedules brought a saving of $5,000,000 to telephone users the first year it was put into effect.

You, as a telephone subscriber, are constantly receiving extra value from your telephone—because the number of subscribers is increasing, and the more people you can reach by telephone, the more valuable it is to you.

Today, there are few things purchased by the family or by a business that give so much useful service at such low price as the telephone.

Every time you pick up the telephone you become part of a communication system that uses eighty million miles of wire and represents an investment of more than four thousand million dollars. Yet the cost of local service that puts you in direct personal touch with thousands or hundreds of thousands of people in your town or city is only a few cents a day.

★ *AMERICAN TELEPHONE AND TELEGRAPH COMPANY* ★

FOREIGN AFFAIRS, July, 1931, Vol. 9, No. 4; published quarterly. Printed at 10 Ferry St., Concord, N. H. Editorial and business offices, 45 East 65th St., New York. Subscriptions, $5.00 a year. Entered as second-class matter at post-office at Concord, N. H.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

YALE

Lenin: Red Dictator

By **George Vernadsky**

A vivid political biography in which Lenin is revealed as one of the most formidable personalities of all time. $3.00

One Hundred Red Days

By **Edgar Sisson**

A personal chronicle of the Bolshevik Revolution written by President Wilson's special representative to Russia, presenting many startling and hitherto unpublished facts. $5.00

The End of the Russian Empire

By **Michael Florinsky**

A broad picture of Russia in which the source of the catastrophe which overcame the Empire is traced far back into the history of the Russian people. $3.00

The Evolution of International Public Law in Europe Since Grotius

By **Walter Simons**

The former Chief Justice of the Supreme Federal Court of Germany discusses the history of international law and its application to modern problems. This is a publication of the Williamstown Institute of Politics. $2.50

Tacna and Arica

By **William Jefferson Dennis**

A clear-sighted analysis of the Chile-Peru boundary dispute and of the arbitrations by the United States. "Mr. Dennis, who has made a very thorough study of the matter, writes vigorously and brings out the reasons why the dispute and its settlement have been of consequence to the rest of the world." — *New York Times.* $4.00

The Foundations of Sovereignty

By **Harold J. Laski**

A reprinting of one of Professor Laski's earlier works which presents the case for the pluralistic state in contrast to the unified sovereignty of the present social organization. $3.50

YALE UNIVERSITY PRESS · NEW HAVEN · CONNECTICUT

Kindly mention FOREIGN AFFAIRS *when writing to advertisers*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FRANCONIA WORLD CRUISE

A new, greater-than-ever Franconia World Cruise . . . blazing fresh trails again . . . out to far corners of the globe . . . all the brilliant highlights of such a voyage, at their most alluring season . . . including Athens, the Holy Land . . . Bali . . . Macassar . . . Saigon . . . Japan in Cherry Blossom Time . . . India in weather like our springtime. A proven, world-famous cruise ship, especially built for World Cruising, enabling direct docking at the majority of the ports. Sailing Eastward from New York Jan. 9 next . . . 140 days of vivid, stirring contrasts . . . 33 ports . . . lavish programs ashore. *Greatly reduced rates* . . . $1750 up!

The Itinerary: Madeira, Gibraltar, Monaco, Naples, Athens, Haifa (Palestine), Port Said (Cairo), Bombay, Benares, Delhi, Agra, Fatehpur-Sikri (India), Colombo (Ceylon), Penang, Malacca, Straits Settlements, Singapore, Paknam, Bangkok (Siam), Cap S. Jacques, Saigon (French Indo-China), Tandjong Priok (Batavia), Samarang (Java), Buleleng (Bali), Macassar (Celebes), Zamboanga, Manila (Philippines), Hong Kong, Canton (South China), Keelung (Formosa), Shanghai (Middle China), Chemulpo, Seoul (Korea), Chinwangtao (Peking), Miyajima, Kobe, Nara, Kyoto, Yokohama, Nikko, Tokyo, Kamakura (Japan), Honolulu, Hilo (Hawaii), San Pedro, Los Angeles, Panama Canal, Havana . . . plus the opportunity of such unusual side-trips as an airplane flight to Bagdad . . . a trans-Siberian overland tour . . . and many other equally unique extensions.

Literature from your Local Agent or

CUNARD LINE

25 Broadway, New York

THOS. COOK & SON

587 Fifth Avenue, New York

Kindly mention FOREIGN AFFAIRS *when writing to advertisers*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WALL STREET AND LOMBARD STREET

By Francis W. Hirst

An economist of international reputation looks at the current business depression and draws some conclusions from our experiences which will be of large interest to all American business men, bankers and economists. $2.00

The Nemesis of American Business

By Stuart Chase

"An exceedingly adroit and alive summation of a humanist's economic position."— *N. Y. Evening Post* $2.00

The Economic Life of Soviet Russia

By Calvin B. Hoover

"The best and most comprehensive view of Soviet policies and their application now obtainable."— *New York Times* $3.00

Germany and the Germans

By Eugen Diesel

"There is scarcely a phase of the Germans and their homeland which has escaped this observer. . . ."— *New York Times* $2.00

The Little Entente

By John O. Crane

"Well arranged, precise, and nonpartisan, and so can be recommended to all students of Central European politics."— *Morning Post* (London) $2.50

The Concert of Europe

By R. B. Mowat

"A scholarly treatment of one of the most remarkable periods of history. . . . Professor Mowat describes with great ease and clarity the machinations of the European nations. His pen portraits of the various 'personalities' are well drawn and make for the most interesting reading." $5.00

An Indispensable Reference Work

A GUIDE TO HISTORICAL LITERATURE

A Selected, Classified Critical Bibliography of the Whole Field of Historical Writings

Whatever you may want to know about any important historical work on any country in any age will be found in this new reference work, compiled and edited by the Committee on Bibliography of the American Historical Association. Besides the usual books on political history, writings in diplomatic, military, constitutional, economic, social, religious and cultural history are listed. Carefully selected lists of biographies and bibliographical collections are also included. In the 1,100 pages of text and the complete index you will find a convenient, authoritative reference tool without which no library is complete. $10.50

Volume IV Now Ready

ENCYCLOPAEDIA OF THE SOCIAL SCIENCES

EDWIN R. A. SELIGMAN, Editor-in-Chief

Among the articles in this new volume which you will find useful are: Commerce, Crime, Culture, Communism, Corporation, Communication, Credit, Construction Industry, Currency, Commodity Exchanges, Competition, Constitutional Law, and Congress. Place your order now for the complete Encyclopaedia, which is being issued at the rate of three volumes a year. Each $7.50

THE PROBLEM OF UNEMPLOYMENT

By PAUL H. DOUGLAS AND AARON DIRECTOR

The authors present an analysis of the world's greatest economic problem and suggest possible remedies for the situation. A vast amount of statistical information, nowhere else available, has been gathered and interpreted for the first time. Those who are interested in achieving definite and practical results will find this book highly informative and suggestive. $3.50

SOCIAL POLITICS AND MODERN DEMOCRACIES

By CHARLES W. PIPKIN

". . . exhibiting in an orderly narrative the complicated course of social politics in Great Britain and France since the beginning of the present century. . . . A masterly survey which places this book in the front rank of recent expositions of what may fairly be called a social revolution."— *New York Times* 2 vols. $7.50

THE MACMILLAN COMPANY ~ 60 Fifth Avenue ~ NEW YORK

Advertising section continued in back of magazine

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN AFFAIRS

AN AMERICAN QUARTERLY REVIEW

JULY, 1931

The Permanent Bases of British Foreign Policy *Sir Austen Chamberlain* 535
Wanted: A Consistent Latin American Policy *Norman H. Davis* 547
The Mother of Parliaments . . . . . *Harold J. Laski* 569
Constructive Functions of the International Bank *Shepard Morgan* 580
General Pershing and the A. E. F. *Major-General Sir Frederick Maurice* 592
The Disarmament Puzzle . . . . . *Allen Welsh Dulles* 605
Germany and Austria: A European Crisis *Friedrich W. Foerster* 617
India Between the Conferences . . . . *L. F. Rushbrook Williams* 624
The Farmer and Foreign Trade . . . . . *Arthur Capper* 638
Fallacies About Overpopulation . . . . . *A. M. Carr-Saunders* 646
Siam in the Modern World . . . . . *Eldon R. James* 657
Oil, Great Britain and the United States . . . *Arthur C. Veatch* 665
Minorities: A Problem of Eastern Europe . . . *C. A. Macartney* 674
War Loans Versus Subsidies . . . . . *C. P. H.* 683
Some Recent Books on International Relations *William L. Langer* 686
Source Material . . . . . *Denys P. Myers* 701

HAMILTON FISH ARMSTRONG
Editor

Editorial Advisory Board

NEWTON D. BAKER — JOHN W. DAVIS — HARRY A. GARFIELD
ISAIAH BOWMAN — CHARLES G. DAWES — EDWIN F. GAY
GEORGE H. BLAKESLEE — STEPHEN P. DUGGAN — GEORGE W. WICKERSHAM

Published quarterly by Council on Foreign Relations, Inc. Printed at 10 Ferry Street, Concord, N. H. Editorial and Business Offices, 45 East 65th Street, New York, N. Y.

Subscriptions, $5.00 a year, post free to any address in the world. The Editors will be glad to consider manuscripts offered for publication, but assume no responsibility regarding them.

VOL. 9, No. 4. © 1931, Council on Foreign Relations, Inc. Printed in U. S. A.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CONTRIBUTORS TO THIS ISSUE

SIR AUSTEN CHAMBERLAIN, K.G., P.C., M.P., Chancellor of the Exchequer, 1903–06 and 1919–21; Secretary of State for Foreign Affairs, 1924–1929 * * * *NORMAN H. DAVIS*, Financial Adviser to the American Peace Commission and Assistant Secretary of the Treasury, 1919–20; Undersecretary of State, 1920–21 * * * *HAROLD J. LASKI*, Professor of Political Science in the University of London; author of "The Dangers of Obedience" and other works * * * *SHEPARD MORGAN*, Vice-President of the Chase National Bank; formerly Finance Director of the office for Reparation Payments; author of the B. I. S. sections of the Young Plan * * * *MAJOR-GENERAL SIR FREDERICK MAURICE*, Director of Military Operations of the British General Staff, 1915–18; author of "Lord Wolseley," "Robert E. Lee, the Soldier," and other military studies * * * *ALLEN WELSH DULLES*, American member of the Preparatory Commission for the Disarmament Conference at Geneva in 1926, and legal adviser to the American delegation at the Three-Power Naval Conference at Geneva in 1927 * * * *FRIEDRICH W. FOERSTER*, former Professor in the Universities of Berlin and Munich, Editor of *Die Zeit*, author of a number of works on ethical and educational problems * * * *L. F. RUSHBROOK WILLIAMS*, Foreign Minister of Patiala State; formerly Professor of Modern Indian History in the University of Allahabad and member of the Legislative Assembly * * * *ARTHUR CAPPER*, United States Senator from Kansas since 1919, twice Governor of Kansas, owner and editor of the *Topeka Daily Capital*, *Capper's Weekly*, and other publications * * * *A. M. CARR-SAUNDERS*, Professor of Social Science in Liverpool University, author of "The Population Problem" and other works * * * *ELDON R. JAMES*, Professor of Law in the Harvard University Law School; adviser in Foreign Affairs to the Siamese Government, 1918–24 * * * *ARTHUR C. VEATCH*, geologist of the United States Geological Survey, 1906–10; petroleum geologist and technologist with S. Pearson and Son, Ltd., 1913–19, and with the Sinclair Consolidated Oil Corporation, 1919–28 * * * *C. A. MACARTNEY*, author of "Survey of International Affairs, 1925" and several volumes on central and eastern Europe.

The articles in FOREIGN AFFAIRS *do not represent any consensus of beliefs. We do not expect that readers of the review will sympathize with all the sentiments they find there, for some of our writers will flatly disagree with others; but we hold that while keeping clear of mere vagaries* FOREIGN AFFAIRS *can do more to guide American public opinion by a broad hospitality to divergent ideas than it can by identifying itself with one school. It does not accept responsibility for the views expressed in any articles, signed or unsigned, which appear in its pages. What it does accept is the responsibility for giving them a chance to appear there.*

The Editors.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN AFFAIRS

Vol. 9 JULY, 1931 No. 4

THE PERMANENT BASES OF BRITISH FOREIGN POLICY

By Sir Austen Chamberlain, K.G.

NOTHING in foreign comment on British policy surprises an Englishman more than the frequent attribution to British statesmen of all parties and in all times of an almost machiavellian subtlety in the design and an unalterable persistence in the execution of their plans. Such a picture of ourselves seems to us to lack even the resemblance of a caricature to the original, and to attribute to the conduct of our foreign relations the one characteristic which whether for good or evil it most conspicuously lacks. Yet the charge is constantly made — sometimes as a reproach, sometimes with admiration and almost with envy — and as certainly believed. What is the explanation and wherein lies the truth?

Both are perhaps to be found in a characteristic of British psychology. The German is by nature a systematizer. He excels in organization. He likes to see where he is going, to foresee as far as may be the accidents of the route and to be assured of good accommodation at the end of his journey. "According to plan." How often did not the phrase recur during the war in German bulletins? "The plan" was at once their security and their danger — often their most efficient instrument but sometimes their master. The Englishman on the other hand finds such systematic planning irksome and uncongenial. He submits himself to it with reluctance even when circumstances impose it on him and, even while submitting, he distrusts the process in which he is engaged, doubts his power to pierce the mists of the future, and secretly relies on his capacity to meet emergencies as they arise. In difficult times there is no more common ending to a political discussion between Englishmen

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

than the phrase: "Well, I suppose we shall muddle through somehow." It could never occur to a German or a Frenchman to seek consolation in such a reflection.

The difference is indeed as marked between the mental processes of Englishmen and Frenchmen, and here the contrast has been drawn with delightful humor by an observer of much experience and complete impartiality. "Two peoples," writes Professor Madariaga, "closely allied by ties of race and language, whose long intimacy of peace and war might have been expected to develop an accurate mutual knowledge, will offer us an unrivalled illustration of the psychological obstacles which beset all international work. . . . France and England are often in Geneva at loggerheads. Not that their interests cannot be made to agree. As national interests go, their differences are more often than not bridgeable in themselves, given a little time and goodwill. Thus it is not altogether impossible to bring the French and the British delegates to see eye to eye. Only that their eyes are so different. . . . Time and again I have seen the French nonplussed at the illogical and empirical vagueness of the English, and the English shocked and irritated at the unseemly yet unreal clarity of the French." "The whole difficulty," he continues, "comes from the particular region in which the center of gravity of their respective psychologies is situated, which in the Frenchman is above, and in the Englishman below, the neck. The Frenchman thinks with his head, and with nothing but his head; the Englishman thinks — or rather, as he himself says, 'feels somehow' with everything but his head, and, provided he does not allow his head to meddle with it, he is generally right."[1]

When I first met with this passage I happened to be Secretary of State for Foreign Affairs. It struck me as so acute an analysis of the characteristic mental processes of two nations which have so much difficulty and yet so great a need to understand one another that I permitted myself to read it to the Permanent Under-Secretary of State, now the British Ambassador in Washington. He did not resent it or deny the soft impeachment. On the contrary he exclaimed, "Isn't that good? I see myself. I constantly come into your room and say: I have a sort of a feeling that this would do or that wouldn't." And we laughed as we looked together into the mirror which Professor Madariaga had held up to our English nature.

[1] Salvador de Madariaga: "Disarmament." New York: Coward-McCann, 1929.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"The Frenchman," says Professor Madariaga, "trusting thought, is apt to distrust life and therefore he endeavors to imprison future life in present thought; while the Englishman, who trusts life and mistrusts thought, refuses to foresee and is content to cross the bridge when he comes to it — even at the risk of having to ford the river on finding that there is no bridge at all."

It results from these different psychologies that it is, or should be, much easier for a German or Frenchman to state his reasons for a course of action than for an Englishman. In the case of a German it is the result of "a plan" and easily develops into a system; in the case of a Frenchman it is the consequence of a logical process of thought, leading irresistibly to equally logical conclusions. But the Englishman follows neither process. He distrusts logic at all times and most of all in the government of men, for instinct and experience alike teach him that men are not governed by logic, that it is unwise to treat political issues as exercises in logic and that wisdom more often lies in refraining from pressing sound arguments to their logical conclusion and in accepting a workable though illogical compromise. After all, logic lost us the Thirteen Colonies.

Recognizing in ourselves this distaste for systematic thought and this inherent distrust of long-prepared solutions, we are at a loss to understand criticisms which impute to us schemes we have never entertained and a subtlety of thought of which we feel ourselves incapable. We are not ashamed of being called empirical; we admit — we may even boast — that we are guided less by logic than by instinct and we are prepared to confess that when we "feel somehow" that a certain course is wise or right, we are apt to take it without more ado. If you ask the average Englishman, therefore, what are the permanent bases of British foreign policy, he will probably reply that there is nothing permanent about it, and, if pressed further, say: "Oh, I suppose Peace. We are 'a nation of shopkeepers,' you know." If you want more, he will have to think.

Yet there must be some foundation for the very opposite view taken by foreign observers and, perhaps, such underlying unity as exists in British foreign policy is more easily perceived by a foreigner than by a native, just as family likenesses are quickly recognized by strangers, whereas members of the family circle see only the individual differences.

If, then, we are to find some influences permanently at work in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

moulding British foreign policy, we must surely seek them in causes which are equally permanent. The influence of geography on history is a commonplace of modern thought and the geographical situation of Great Britain has been in fact the dominant factor in determining her development whether consciously planned or, as has happened far more often, instinctively pursued.

Three geographical facts have been decisive for the course of British history and explain as they dictate the main principles of British policy and the preoccupations of British statesmen. First, Great Britain is an island, but, secondly, this island is separated only by a narrow streak of water from the Continent of Europe. Thirdly, this island has become the center of a wide-flung empire whose arterial roads are on the oceans and through the narrow seas.

Great Britain is an island state. She has no land frontiers. Her pretentions to become a continental power, to expand as her rivals were expanding, by continental conquest or inheritance, were finally settled by the Hundred Years War. Since then she has looked to the sea as at once her defense and her opportunity. Her land forces have been kept at a minimum. They have never been sufficient to wage a continental war except in alliance with some great military power; but, thrown into the scales on one side or the other in a struggle between the continental giants, their weight and the bull-dog tenacity of the race when once engaged in a fight have more than once been decisive of the issue. At sea, on the other hand, she has — until these latter days when she has admitted American parity — jealously guarded her naval superiority, for to deny the passage of the narrow seas to her enemy was her only defense, to keep them and the oceans open to her own ships was a necessity of her daily existence and a condition of her imperial power.

But though Great Britain is an island, detached from the Continent and prone to regard herself as unaffected by those cares which occupy the first place in the minds of the inhabitants of continental countries, the waters which divide her from western Europe are so narrow that she can never for long remain indifferent to what happens on the opposite shores of the Channel or the North Sea. Steam brought the coasts nearer and rendered the movement of ships independent of the winds which played so large a part in the days of Nelson and Cornwallis. The development of aeronautics has further impaired our insular security and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

has given fresh force to the secular principle of British policy that the independence of the Low Countries is a British interest, that their frontiers are in fact our frontiers, their independence the condition of our independence, their safety inseparable from our own. It was to secure the independence of the Low Countries that we fought Spain in the sixteenth century, that we fought Napoleon in the nineteenth and that we fought Germany in the twentieth. Here, at any rate, we find a permanent basis of British policy, recognized and reaffirmed by the guarantee we have given in the Treaty of Locarno to the frontiers of Germany and her neighbors on the west.

"The treaties of Locarno," wrote Mr. H. A. L. Fisher, now Warden of New College and formerly Minister of Education in Mr. Lloyd George's government, "correspond exactly with this conviction. Let it be clearly understood that it is not against Germany that the Treaties of Locarno, which form the existing basis of British policy in Europe, are directed. The British guarantee, a factor of the first importance in the political orientation of the new Europe, is a support only for the power which loyally observes the limits prescribed by the Treaties of Peace. It is neither France, nor Germany, nor Belgium which is the eventual enemy indicated by the Treaties of Locarno. The enemy is the aggressor whoever he may be. It is therefore not in the interest of any one power or of a group of powers nor of the balance of power in Europe that these treaties were made. The great object was the peace of the west. If you seek the ultimate cause of this great diplomatic act, you will find it in the necessity of composing the quarrel between France and Germany, of tranquilizing public opinion and of giving to France and Belgium such a feeling of security as will facilitate the reduction of armaments and the restoration of individual and commercial prosperity."[2]

I add that to bring Germany into the League of Nations and so secure to her her rightful place in the counsels of Europe was a not less essential feature of the Treaties in the eyes of the British Government. More than one hundred years before, at the close of the Napoleonic wars, Castlereagh had renewed the Quadruple Alliance directed against any recrudescences of danger from France and had then secured the association of France in the counsels of the four Powers which formed it. "To give France

[2] H. A. L. Fisher: "La Politique Etrangère de la Grande Bretagne." Conférence faite à la Fondation Universitaire de Bruxelles, 1929.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

her Concert, but to keep our security" were the words by which he described the aim of British policy. Substitute Germany for France and the definition held good for his successors a century later. There is, after all, some continuity in British foreign policy.

There have been times in her history when England has sought to free herself from all interest in or dependence on the affairs of the Continent, but they have never lasted long nor has the result of such isolation, whether "glorious" or not, been encouraging. Nature has placed our island too close to the shores of Europe for us to remain unaffected by the storms which burst there, whilst the development of communications and the course of scientific invention have increased our vulnerability. There are many who would be glad to see England as free from European entanglements as the United States, though as the Great War shows even America may be involved by a general European conflagration. But for us the peril is closer, the danger more imminent, and we best insure against it not by abstention until war has actually broken out but by throwing our weight beforehand into the scale of peace. It is at least arguable that, if the German Government had known for certain in 1914 that Great Britain would join France and Belgium in resistance to any aggression, the Great War would have been averted. It may be added that a deliberate and purposeful abstention from all part and interest in continental affairs is the one course of policy which might provoke a European combination against us by driving France into the arms of Germany and causing both to heal their quarrels at our expense.

It is true that the Great War had its immediate origin in the murder of the Archduke in Bosnia and it is of course possible that a cause equally remote might again involve the Western Powers in conflict. This is an argument which has often been invoked by continental nations, and occasionally by a section of British opinion represented by Lord Cecil, as a reason why we should extend our guarantee to other and more distant frontiers — as, for instance, by assuming the additional responsibilities of the Geneva Protocol of 1924. Exponents of this view argue that the wider our guarantee the less the probability that we shall ever be called upon to implement it, which is something like saying that if only you ask enough ladies to marry you, you need never marry at all. But this view has never commended itself to the British people and it has found still less favor with the Dominions.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But only in the case where her interests are immediately at stake and where her own safety must be directly affected by the result of any change has Great Britain ever consented to bind herself beforehand to specific engagements on the Continent of Europe. Her attitude was defined in a passage of the statement on the Protocol of 1924 which was read by the British Foreign Minister to the Council of the League of Nations in March of the following year:

> Since the general provisions of the covenant cannot be stiffened with advantage, and since the "extreme cases" with which the League may have to deal will probably affect certain nations or groups of nations more nearly than others, His Majesty's Government conclude that the best way of dealing with the situation is, with the coöperation of the League, to supplement the covenant by making special arrangements to meet special needs. That these arrangements should be purely defensive in character, that they should be framed in the spirit of the covenant, working in close harmony with the League and under its guidance, is manifest. And, in the opinion of His Majesty's Government, these objects can best be attained by knitting together the nations most immediately concerned, and whose differences might lead to a renewal of strife, by means of treaties framed with the sole object of maintaining, as between ourselves, an unbroken peace. Within its limits no quicker remedy for our present ills can easily be found nor any surer safeguard against future calamities.

The Treaties of Locarno were the definite embodiment of this policy in the public law of Europe. For the rest, the influence of Great Britain is used everywhere, and particularly at and through the League of Nations, on the side of peace; but if war should nevertheless break out she has no special obligations apart from those which are common to all the states members of the League of Nations except her ancient Treaty with Portugal and the Convention of the Straits. The Portuguese Treaty embodies a guarantee of the Portuguese Colonial possessions but it is held that Great Britain is sole judge of the occasion and the extent of any assistance she might feel called upon to give. The Convention of the Straits is an outcome of the Great War and is of interest as redefining the British position in regard to the approaches to Constantinople and the Black Sea. But both documents must now be read in connection with the Covenant of the League and it is to the League that Great Britain would today address herself in the first instance if trouble arose in either sphere. Great Britain, indeed, now takes the League as the foundation of her foreign policy and finds in the development of the League's

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

influence the best guarantee of peace and, consequently, the best security for British interests. Her rôle at Geneva, as interpreted by successive governments, is, whilst remaining faithful to old friendships, to seek a reconciliation with former enemies, to act as a link between the Great Powers and to help where she can to bring them together — as France and Germany at Locarno, and, more recently, Italy and France in the naval conversations at Rome and Paris. Above all it is the endeavor of British statesmen to prevent Europe from falling back into two hostile camps. Her own relations with all the Powers are and have for some time been excellent. British advice is often sought, and I think it is fair to claim that its impartiality is recognized and that it accordingly receives a gratifying measure of consideration.

The one exception to this general statement is Russia. His Majesty's present advisers have, indeed, renewed the diplomatic relations which were broken off by their predecessors after a long series of provocations patiently borne and warnings constantly ignored. But though ambassadors have been exchanged, relations remain uneasy. The two Governments are not agreed upon the meaning of the document which they signed, and Mr. Henderson has been driven to protest more than once against breaches of the agreement. Great Britain makes no pretension to dictate the form of government which other nations shall adopt, but she expects that nations with which she is in formal relations shall abstain from interference in her domestic affairs, shall respect her institutions, and not excite to enmity against her either at home or abroad. It is too soon to say whether the Soviet Government will conform to those established rules of international comity without which formal diplomatic relations are a sham.

I have dealt so far with the consequences of Great Britain's insular position on the very fringe of the Continent of Europe. Even here her policy is always influenced and sometimes conditioned by the existence of the Empire across the seas. Outside Europe the maintenance of her imperial communications and the interests of the Dominions, colonies and dependencies become dominant. But for India and the Dominions of Australia and New Zealand, there would have been no British occupation of Egypt, no reconquest of the Sudan for civilization, and the great work accomplished by Lord Cromer and his assistants would have remained unattempted. The fact that Egypt commands in the Suez Canal the main artery of communication between England

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

on the one hand and India and Australasia on the other is what took us to Egypt and keeps us there. We cannot afford to see Egypt and the Canal dominated by another country any more than the United States could tolerate the domination of the Panama Canal by a foreign power. We cannot therefore allow abuses or disorders to arise in Egypt which would justify or excuse foreign intervention; but, subject to this over-riding necessity, it is the policy of Great Britain to leave the management of Egyptian affairs as far as possible to the Egyptians themselves, and to confine our interference to the defense of our vital interests and the discharge of our obligations to other nations to whom we have formally declared that we should regard any interference by them in the internal affairs of Egypt as "an unfriendly act" and "any aggression against its territory as an act to be repelled with all the means at our command."

In the Sudan the conditions are somewhat different. We were responsible for its reconquest from the devastating tyranny of the Mahdi and his successors, and we pledged our word to its people that the old misrule of the pashas should not be restored. Here, therefore, we have a direct and immediate responsibility to the people themselves for the form and character of their government, and we claim and exercise the power necessary to fulfil our pledge. The Condominium has been maintained. The British and Egyptian flags are hoisted together over the Government buildings at Khartum, but since the murder of Sir Lee Stack, Egyptian troops and officials have been withdrawn and all effective control has been in British hands.

Passing to the Near and Middle East, we find that here also the permanent basis of British policy is fixed by the existence of the Indian Empire. No British Government desires to extend its liabilities in the Red Sea, the Persian Gulf or on the shores of the Indian Ocean, and, indeed, in Iraq we are reducing them as rapidly as the circumstances of the case and our mandatary obligations to the League of Nations admit; but the safety of our communications is vital to us. With no aggressive intentions ourselves, we shall be content if no other Power cherishes aggressive designs. Our interest lies only in the maintenance of peace and of the *status quo*. Stable governments, able to defend their independence and to preserve their territory from attack, best serve British interests alike in Iraq, Persia and Afghanistan. The experiment of dividing Persia into Russian and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

British spheres of interest, though made in the interests of peace and in the hope of preserving the integrity of Persia, was not a success. The war put an end to it and it is never likely to be revived.

Passing now to the Far East, it may be said that our relations with Japan from the moment of the rebirth of that island empire have been of the most friendly and cordial character. The alliance concluded in 1905 was finally terminated in 1921 after its terms had been modified on an earlier occasion, both the modification and the final termination being made out of deference to American sentiment; but the relations of the two countries, though no longer those of allies, have remained of the most cordial character.

The interests of Great Britain in China are entirely commercial. There, more than anywhere else, our policy is the policy of "a nation of shopkeepers." At no time have we cherished any territorial ambitions, at no time have we desired conquest or annexations. Throughout the troubled years which preceded and have succeeded the Boxer rebellion the object of British policy has been to safeguard the integrity of China and to preserve the open door for traders of all nations; and here, as elsewhere, British interests would best be served by the establishment of a strong national government able both to preserve internal order and to protect Chinese territory from external aggression.

His Majesty's Government were a party to the decisions of the Washington Conference of 1921. They were not responsible for and they deeply regretted the long delay which occurred before the Tariff Conference assembled in Peking and the failure of that Conference to reach agreement. In particular they viewed with grave concern the proposals then made by certain Powers that foreign control over the customs revenue of China should be tightened and extended instead of being relaxed as was contemplated at Washington. Meanwhile, China had become a prey to civil war, the authority of the Peking Government had almost disappeared and a powerful Nationalist Government was in process of establishment in the south. In these circumstances the British Government of the day defined their policy in a statement published in December 1926, in the course of which they said:

> During all these civil wars it has been the consistent policy of His Majesty's Government to abstain from any interference between the warring factions or rival Governments. Despite the disorders which civil war engenders and the grievous losses inflicted on the vast commercial interests, both Chinese and foreign, His Majesty's Government have declined to associate themselves with

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

any particular faction or to interfere in any way in the civil commotions. His Majesty's Government believe that the Powers have adopted a similar attitude and that this is and will continue to be the only right attitude to maintain.

The situation which exists in China today is thus entirely different from that which faced the Powers at the time they framed the Washington treaties. In the present state of confusion, though some progress has been made by means of local negotiation and agreements with regional Governments, it has not been possible for the Powers to proceed with the larger programme of treaty revision which was foreshadowed at Washington or to arrive at a settlement of any of the outstanding questions relating to the position of foreigners in China. The political disintegration in China has, however, been accompanied by the growth of a powerful Nationalist movement, which aimed at gaining for China an equal place among the nations, and any failure to meet this movement with sympathy and understanding would not respond to the real intentions of the Powers towards China.

His Majesty's Government, after carefully reviewing the position, desire to submit their considered opinion as to the course which the Washington Treaty Powers should now adopt. His Majesty's Government propose that these Governments shall issue a statement setting forth the essential facts of the situation; declaring their readiness to negotiate on treaty revision and all other outstanding questions as soon as the Chinese themselves have constituted a Government with authority to negotiate; and stating their intention pending the establishment of such a Government to pursue a constructive policy in harmony with the spirit of the Washington Conference but developed and adapted to meet the altered circumstances of the present time.

It is on these lines, uninterrupted by the change of government in England, that British policy has since proceeded. Realizing that the old treaties were out of date and desiring to put our relations with China on a footing better suited to present conditions, we have been prepared to relinquish the special rights secured by the older treaties just in proportion as the Chinese Government is able to replace the security which they afforded by such a system of law, order and administration as will guarantee to our nationals the rights which peaceful traders are accorded in any civilized State. Considerable progress has already been made upon these lines, but the salvation of China can be worked out only by the Chinese themselves, and the rate and extent of progress must be determined by the ability of the Chinese Government to preserve internal security, to protect life and property and to afford foreigners the ordinary guarantees given by a just system of law and its impartial administration.

I have left to the last the consideration of British relations with America, certainly not because they are less important in the eyes of Englishmen than our relations with Europe or the east,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

but because to treat them fully would require more space than is at my disposal in this article, whilst the sole aim and purpose of British governments, from whatever party they are drawn, can be stated in a single sentence without ambiguity or qualification.

It is an axiom of British policy that we should always seek to preserve the most friendly relations with America. Sentiment and interest combine to impose this attitude upon us. War between us is, we hope, unthinkable; it would be a crime not only against our own peoples but against civilization. I can say with confidence, after a Cabinet experience of more than a quarter of a century, that such a possibility has never entered into Great Britain's consideration of her requirements for defense and has never influenced the strength of the forces maintained by her, whether on land or sea. The three-thousand-mile frontier which marks the boundary between the United States and Canada remains unfortified — at once the symbol and the pledge of enduring peace between the British Empire and the United States.

But merely to preserve peace would be a wholly inadequate and negative expression of British policy. We desire much more than the maintenance of peace. We wish by all means in our power to remove all causes of friction, to wipe out the memory of old quarrels and to place and keep our relations on a footing of cordial friendship and good understanding. It has not always been easy. American comment on, and even intrusion in, English affairs has not always been friendly or even fair. American diplomacy has sometimes been rough and its expression unnecessarily harsh and wounding to a proud though happily not very sensitive nation.[3] No doubt we too have sometimes blundered, failing to take sufficient account of American susceptibilities or to make our own purpose clear or, again, misunderstanding the American point of view. Such errors of conduct or differences of opinion are perhaps inevitable from time to time, but they need not and should not impair our friendship if they are treated on both sides with common sense and mutual forbearance.

It can safely be said that no government will ever command or retain the support of the British people which is thought for a moment needlessly to jeopardize the good relations of the two peoples. It is our earnest prayer that, in whatever differences the future may bring forth, we may meet with a like spirit across the Atlantic ocean.

[3] *Cf.* President Cleveland's Venezuela Message.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WANTED: A CONSISTENT LATIN AMERICAN POLICY

By Norman H. Davis

IN seven of the twenty republics of Latin America constitutional government was overthrown by revolution during the twelve months ending with February 1931. In only four of these seven countries has there been any semblance of constitutional procedure to establish governments to take the place of those overthrown by force. These four are the Dominican Republic, Guatemala, Bolivia and Panama. The elections in the Dominican Republic, conducted by the military oligarchy that had gained control of the provisional government, were patently fraudulent and were so declared by the courts of the country; and of the other three cases, only in Guatemala and to a limited extent in Bolivia were the people afforded a free opportunity to express their approval or disapproval of the new régime. In the remaining three countries — Argentina, Brazil and Peru — national elections have not yet been held to ascertain the will of the people regarding the radical changes of government. In Peru the revolutionary habit has been growing at such a rapid pace that there have been three successive revolutionary régimes since President Leguia was forced to resign on August 25 of last year.

With the exception of Honduras, where a revolution is in progress as this is written, the remaining republics have escaped open revolution during the past few years. In several of them there is restlessness and discontent — augmented in part by the present economic depression — which is a menace to governmental stability. In some of them armed revolts have been prevented only by forceful executives. The only countries where domestic peace appears to prevail are Venezuela, where subservience to the dictatorship of General Juan Vicente Gomez has existed for a generation; Colombia, where a Liberal Progressive government under the able leadership of Dr. Olaya Herrera has recently been inaugurated; the Central American republics of Costa Rica and Salvador; and Haiti, where the American occupation renders revolution impossible.

Unstable political conditions in Latin America do not merely deprive the citizens and residents of the countries in question of the benefits of ordered liberty and of security of life and property;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

they retard their economic development. This, in turn, has repercussions on the welfare of other nations. The United States, on account of its geographical situation and its political, commercial and financial interests, is particularly affected by political and economic instability in any part of the Western Hemisphere.

The Latin American peoples unquestionably have the right and duty to regulate their own national affairs and to determine their own destiny; but the political and economic power of the United States is such that the policies of this Government and the activities and interests of its nationals must necessarily have a considerable effect on the political and economic life of the other peoples of this hemisphere. It therefore is part of the duty and interest of this nation to wield its power with justice and wisdom and to extend a friendly and helpful hand to its sister republics, to which it is bound by so great a community of interest. Only thus can be created the mutual confidence and good will which is a prerequisite to healthy political relations and to fruitful trade and commerce.

Mr. Hoover, while still President-elect, showed that he realized the importance of cultivating the friendship of the Latin American republics by personally visiting the majority of them. Many in this country hoped and believed that his tour, frequently termed "a mission of good will," was to mark the beginning of a new era in our relations with Latin America. It was felt that such a demonstration of friendly interest by a future President of the United States would appeal to the sentiment of the people of South America and that as a result of a first hand knowledge of conditions and a personal acquaintance with the statesmen in the countries visited, he would have an invaluable background for dealing with Latin American problems. Yet during the two years that have elapsed since Mr. Hoover took office there has been no positive improvement in our relations with Latin America. On the contrary, there is no outward evidence of any amelioration of the hostility towards the United States which had been rising during the last years of the Coolidge Administration. Indeed, it is fair to say that the resentment which had earlier existed against the restrictions placed by this Government upon the importation of goods from certain Latin American countries has been greatly intensified by the passage of the Smoot-Hawley Tariff Act.

When, therefore, it was announced that the Secretary of State,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Mr. Stimson, would address the Council on Foreign Relations in New York on February 6 last on the subject of "The United States and the Other American Republics," it was expected that he would emphasize the importance of Pan-American solidarity and perhaps indicate what steps were to be taken to improve existing conditions, or at least that he would explain certain actions of the Administration with regard to Latin America which had seemed hard for many Latin Americans and other interested persons to understand.

The address[1] of Secretary Stimson consisted of three parts — the first, a brief and rather partial history of our relations with the republics of Latin America; the second, an announcement that the Administration had determined upon a reversal of the policy which had previously existed with regard to the recognition of new governments in South America; the third, a declaration of the policy of this Government with regard to the export of arms and munitions to Latin American countries in the throes of civil war, this last being in its essentials a restatement of principles already established by previous Administrations. No indication was given by Secretary Stimson that there were other and still more important questions which even more seriously affect our relations with Latin America.

The portion of his address which attracted most attention was that dealing with the general subject of recognition. In this he declared, in effect, that the present Administration had abandoned the policy of fostering the growth of democratic institutions and orderly government initiated by President Wilson and carried on by Secretary Hughes; and that instead of being guided by the principles on which the former policy was based it had adopted the rule of extending immediate recognition to a new government on purely technical grounds without regard to its legal status or the effect which recognition would have on the development of orderly government or on the rights and welfare of the peoples concerned. In other words, it might be assumed that whatever person or group were in possession of the reins of government, however they had obtained them, had the right and the power to hold them.

The question of extending recognition to a newly established government is not, as is generally supposed, a highly technical legal problem beyond lay understanding. It is essentially simple.

[1] *Cf.* FOREIGN AFFAIRS, Vol. 9, No. 3, Special Supplement.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

As Secretary Stimson stated, "The recognition of a new government within a state arises in practice only when a government has been changed or established by revolution or by a *coup d'état*." As he also stated, the generally established policy of this country, from the days of Washington to the end of the Taft Administration, has been to base the act of recognition of a new government, not upon constitutional legitimacy but upon *de facto* control of the administrative machinery of the state; upon its ability and willingness to discharge its international obligations; and, finally, upon the general acquiescence of its people. The first two of these conditions precedent to recognition are questions of fact which can be readily determined. Mr. Stimson has shown, by his declaration of policy and by his action in recognizing the governments which have come into power by revolution in the last year, that he considers the failure or inability of the people to make evident their opposition to the new régime is all that the United States Government need require as proof that a new government merits recognition.

We may assume that in determining the facts of the various situations with which he has had to deal the Secretary of State has been guided by the opinions of American diplomatic agents; that he has deemed stability of government in each Latin American state to be of paramount interest to the United States; and that he has believed that the withholding of recognition would tend not only to create further instability and a lack of confidence both at home and abroad, but that it might engender a hostile attitude towards the United States which would be detrimental to our political and commercial relations, particularly if European Powers should extend immediate recognition. The importance of these considerations is apparent.

What can be fairly questioned, however, is whether our Government has in fact enhanced stability and aided progress in orderly government by recognizing military dictatorships before the peoples in question had had an opportunity to express acquiescence by ballot or other constitutional means. It is also problematical whether the peoples of the countries in question will not feel a still greater degree of resentment against the United States because it hastened to give recognition to dictatorships of which they themselves did not approve. For it must be borne in mind that recognition by the United States makes possible for a new government to secure foreign loans, and these may be

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

all that it needs in order to maintain itself in power through force or corruption and against popular will.

Recent events have furnished ample evidence that the peoples of Latin America have not approved of their dictatorships. In Argentina, where for two generations constitutional government had been maintained, the dictatorship of General Uriburu, which in September 1930 had overthrown the legally elected administration of President Irigoyen, finally in April permitted elections to be held in the Province of Buenos Aires. Notwithstanding the Dictatorship's use of the coercive methods customary in such cases, the candidates of the Radical Party, which had been forced from power by the military régime, were elected by a sweeping majority. This would seem to indicate that the majority of the Argentine people do not sanction the overthrow by violence of an administration which they had placed in power by their votes, and do not now approve of the domination of their country by the military régime that brought about that overthrow. Similarly, reports from Brazil tend to show that the present administration, which gained power there by means of a revolution, is faced with considerable dissatisfaction and quite possibly another revolution.

It would be extremely risky, therefore, for us to assume popular acquiescence in the dictatorships which have seized power in Latin America or to pretend that governmental stability exists there today. Furthermore, it may be reasonably claimed that, if a majority of the people in the countries mentioned are opposed to the new dictatorships, the political and commercial interests of the United States have been prejudiced rather than benefited by our Government's grant of speedy recognition.

Is it merely a coincidence that there have been more revolutions in the Latin American republics since Secretary Stimson adopted the policy of extending prompt recognition to revolutionary governments than there were in any other period of their history? Certainly it is difficult to escape the conclusion that even though such a policy may not cause revolutions it tends to encourage rather than to discourage them.

A definite policy was initiated by President Wilson when he declared that "just government rests always upon the consent of the governed," and that "there can be no freedom without order based upon law and upon the public conscience and approval," and that "we shall look to make these principles the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

basis of mutual intercourse, respect and helpfulness between our sister republics and ourselves." In announcing the present Administration's reversal of that policy, Mr. Stimson calls attention to the fact that President Wilson had sought to put it into effect in withholding recognition from the Huerta Government in Mexico in 1913. Mr. Stimson declares that although "Huerta's Government was in *de facto* possession" of Mexico, President Wilson refused to recognize it and "sought through the influence and pressure of his great office to force it from power;" and he permits the inference to be drawn that the disturbed relations between the United States and Mexico which have existed until comparatively recently were the result of that policy.

Even the most casual student of Mexican affairs must recognize that while General Huerta may have been in control of the capital city of Mexico in 1913, and possessed at that time of resources sufficient to maintain such control temporarily, the masses of the Mexican people, who were just then becoming vocal after Porfirio Diaz's long years of dictatorship, were not sympathetic to the type of leader personified in the person of Huerta, a military chieftain of the old school, but rather to the ideals of Francisco Madero, Huerta's murdered predecessor. It was Mr. Wilson's conviction that there could be no real stability in Mexico until the Mexican people possessed a government responsive to their needs and desires, and that the military dictatorship installed by Huerta could never be more than a temporary stop-gap.

It should be borne in mind that the Wilson Administration inherited the problem of dealing with a critical position of affairs in Mexico from its predecessor.

In 1911, President Taft had assembled a full army division at San Antonio, Texas, a brigade of three regiments at Galveston, a brigade of infantry in the Los Angeles district of Southern California, together with a squadron of battleships, cruisers and transports at Galveston and a small squadron of ships at San Diego. His avowed purpose was to place sufficient troops in position so that if Congress directed that they enter Mexico this could be done promptly and effectively. In his annual message of December 7, 1911, President Taft had said:

> The recent political events in Mexico received attention from this government because of the exceedingly delicate and difficult situation created along our southern border, and the necessity for taking measures properly to safe-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

guard American interests. . . . Although a condition of actual armed conflict existed, there was no official recognition of belligerency involving the technical neutrality obligations of international law.

And in his message to Congress of the following year, delivered on December 3, 1912, three months prior to the inauguration of President Wilson, Mr. Taft said, regarding "our Mexican policy:"

For two years revolution and counter-revolution has distraught the neighboring Republic of Mexico. Brigandage has involved a great deal of depredation upon foreign interests. There have constantly recurred questions of extreme delicacy. On several occasions very difficult situations have arisen on our frontier. Throughout this trying period, the policy of the United States has been one of patient non-intervention, steadfast recognition of constituted authority in the neighboring nation and the exertion of every effort to care for American interests. I profoundly hope that the Mexican nation may soon resume the path of order, prosperity and progress. To that nation in its sore troubles, the sympathetic friendship of the United States has been demonstrated to a high degree. . . . The responsibility of endeavoring to safeguard those interests and the dangers inseparable from propinquity to so turbulent a situation have been great, but I am happy to have been able to adhere to the policy above outlined — a policy which I hope may be soon justified by the complete success of the Mexican people in regaining the blessings of peace and good order.

In the measures which President Wilson adopted after he was inaugurated, and in his various statements, he showed that he was endeavoring to follow a policy that was at the same time friendly toward Mexico and consistent with the steps already taken by the United States. Addressing Congress in reference to the Mexican situation, Mr. Wilson said:

We have not acted in this matter under the ordinary principles of international obligation. All the world expects us under such circumstances to act as Mexico's nearest friend and intimate adviser. This is our immemorial relation to her.

President Wilson believed that what the bulk of the Mexican people desired was democratic government, and that what the interests of this Government demanded was stability in Mexico, and he was confident that that stability could not be achieved through a retrograde imitation of the Diaz dictatorship, but rather through a representative government placed in power by the Mexican people themselves.

Mr. Wilson maintained that it was an essential of American foreign policy to recognize an identity of interests between the Latin American republics and the United States — interests both political and commercial. Further, it was his belief that there could

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

be no such identity of political interests unless the nations of the American continents possessed governments "based upon law, not upon arbitrary or irregular force." Consequently it was with him a matter of principle to strengthen and maintain in every legitimate manner orderly processes of government in them, and he formally announced as a cardinal feature of the policy of the United States that recognition would not be extended to governments in Latin America which had come to power through revolution or through a *coup d'état* until after the people concerned had evidenced their approval. President Wilson held that it constituted a greater measure of intervention in the domestic concerns of the Latin American republics for the Government of the United States to recognize a revolutionary government before the people has passed upon it (because of the fact that our recognition inevitably implies financial as well as moral support of that government), than for the United States to withhold recognition until it felt assured that the people, in an orderly and legal manner, had in fact approved the change. Mr. Wilson would have been the last to oppose recourse to revolution; but he was the first to lay down the principle that true democracy demands that the people themselves be afforded the opportunity, as a fundamental right, to approve or disapprove changes in their government, and the first to declare that that principle should be incorporated in the continental policy of this nation.

Since no one questions that the peaceful and stable development of the Latin American republics is in the best interest of the United States, the policy of this Government evidently should be shaped with that end in view. Its policy should certainly be broader in scope and purpose than to be concerned primarily with the technical recognition of new governments that have come into existence through force. A farsighted policy which aimed to encourage democratic government and economic progress in Latin America would mean that we should have fewer occasions to trouble ourselves about the recognition of revolutionary governments, about the protection of American lives, and about the regulation of traffic in arms intended for those who are attempting to overthrow constitutional government by violence instead of by votes.

II

During the years when the colonies of Spain were struggling for independence, American public opinion viewed their revolt

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

with undisguised enthusiasm. Our own revolution was still within the memory of many American citizens, and their sympathy went out to those engaged in a similar struggle. Sentiment for the cause of the Spanish colonies, aroused in Congress by such a spokesman as Henry Clay, led to our prompt recognition of the new republics. But as the older generations passed from the scene our country entered a period in which an increasing hunger for wealth and a desire for expansion worked a change in national ideals and policy.

The attitude of the Government of the United States towards its southern neighbors during the years when the latter were striving to consolidate and maintain their newly won independence displayed not only a lack of respect for the sovereignty of those nations but likewise an utter contempt for their national pride. Some of the incidents which occurred during the quarter of a century preceding the outbreak of the Civil War seem almost incredible today. In 1852 the Central American port of Greytown, an important settlement in those years, was bombarded and burned by an American naval force on the charge that its inhabitants had infringed the rights of an American company. But that was only one of a series of occurrences in which the naval force of the United States was used to bolster up the more than dubious claims of Americans resident in Latin American countries. It was a period when this Government, not only in its official relations with the republics of Latin America openly disregarded the fundamental distinction between right and wrong, but likewise lent the weight of its authority to private citizens of the United States when they outraged the laws of those republics. By 1860 the gratitude for our early support and the respect and admiration for our institutions which had been general in Latin America had given way to widespread resentment and hostility, only tempered by that fear which the strong impose upon the weak.

There was something of a reaction in Latin American opinion during the War of Secession when the Monroe Doctrine was openly scorned by the great Powers of Europe. Napoleon III invaded Mexico in an attempt to set up a Mexican emperor of his own selection; the Dominican Republic was occupied by Spain and was once more proclaimed a colony; Great Britain and Russia threatened to increase their foreign possessions in this Hemisphere. At Seward's instance the Monroe Doctrine was

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

reasserted at the end of the Civil War; but it was largely due to the efforts of Dominican and Mexican patriots that those two nations were wrested from the grasp of the usurping powers, aided to some extent by a threat of armed assistance from the United States.

Ten years later, at the instigation of a group of American speculators and with the connivance of unworthy dictators who had temporarily secured control in the Dominican Republic, President Grant (though, be it said, against the advice of his Cabinet) very nearly secured its annexation to the United States. The consummation of this deal was only averted through the refusal of Sumner and a few other members of the United States Senate to permit the earlier ideals of this nation thus to be disgraced.

During the last quarter of the nineteenth century, Latin America was remembered but rarely by American statesmen. The Monroe Doctrine, it is true, was vigorously reasserted by President Cleveland in a manner which gave the European powers finally to understand that its violation would imply a declaration of war upon the United States. It is likewise true that James G. Blaine stands out as a political leader of those years who foresaw this nation's need to coöperate, both politically and economically, with the republics of Latin America. It was due to his vision that the Pan-American Union now exists, and that inter-American conferences periodically take place, but it is hardly an exaggeration to say that his voice was that of one crying in the wilderness, and that while many of the measures which he advocated became realities, his emphasis upon the necessity of Pan-American coöperation was regarded by the great majority of his contemporaries as an amiable hobby which, while it did no harm, could still do but little good.

Such was the condition of affairs when the present century opened. The victory of the United States in the war with Spain, which brought with it the acquisition of foreign territories and made the United States for the first time an empire in the modern meaning of the term, awakened likewise in the imagination of the American people the desire to play the rôle of the empire builder. It was as a direct outcome of this psychological trend that the United States acquired the Panama Canal Zone. While no one can deny the practical utility of the Panama Canal and the immense benefits which it has procured for the peoples of North and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

South America, neither can any one deny that the manner in which the United States obtained the territory which today comprises the Canal Zone shook popular confidence throughout Latin America in the principles and standards which govern American foreign policy.

It is generally recognized today that the United States has no ambition to secure additional territory by conquest. This truth was solemnly proclaimed in 1913 by President Wilson, and beyond all doubt the finality of this announcement is sanctioned by American public opinion. Nevertheless the belief is still widespread in Latin America, although less strong than it used to be, that the aims of the United States are imperialistic. This is mainly due to the failure of this Government to adhere to any consistent policy. At times during the past twenty-five years its policy has been wise and just; at others it has been the reverse.

At times, as during the years when Elihu Root was Secretary of State, the Government of the United States has acted along well-defined lines. It had a liberal, constructive policy in its dealings with Latin America, and followed it. Secretary Root proclaimed it as his belief that a basis of absolute equality must be the foundation for all those dealings. When unstable conditions in any of the Central American or Caribbean republics threatened this country, in that they invited the intervention of non-American Powers, we offered those republics our assistance in removing the causes of trouble; we offered this assistance as from one sovereign state to another. A notable instance of this phase of Secretary Root's policy may be found in the assistance rendered the Dominican Republic through the Convention of 1907, which amounted to nothing more nor less than the lending by the United States of its credit to the Dominican people in order that they might obtain a loan with which to fund their foreign indebtedness and thus remove the menace of physical intervention by their European creditors. This implied, it is true, the temporary administration of the customs houses by American officials acting under the Dominican Executive, but this arrangement was welcomed not only by the Dominican Government but by the Dominican people, and has proved its practical value. It did not, however, imply enforced intervention by the United States in the internal affairs of the Dominican Republic. This same policy, which might be called a policy of prevention, was adopted by Secretary Root in his dealings with the republics of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Central America. If the safety of the United States requires that non-American Powers be kept from intervening on the American Continent, justice requires that reasonable grounds for such intervention be removed. The United States cannot assume the position that the citizens of non-American Powers resident in the republics of Latin America can be endangered in their lives and property as the result of local disturbances, or that their just claims should be refused, and that the governments of the nations of which those foreigners are citizens can be indefinitely warned off from coming to their legitimate assistance. The logical, sane, practical policy for the United States to pursue in this regard is one of preventing the rise of conditions under which such a state of affairs can exist.

It has been due to the failure to take preventive and corrective measures that the United States has repeatedly intervened by force in the Caribbean and in Central America and that military occupations have succeeded military interventions, with all of the attendant evils. We must note, too, that quite aside from the fears and suspicions thus engendered none of the military interventions undertaken by the United States in the republics to the south has resulted in any permanent benefit either to the people of the state in question or to the people of the United States themselves. We should have learnt by now that the enforcement of peace from outside does not remove the basic causes which make men resort to revolution. These causes, so long as the inhabitants of the nation where intervention takes place remain an independent people, can only be removed by the will and action of those people themselves. It is futile for the United States to delude itself into believing — as it has done upon so many occasions — that it can impose a lasting peace artificially, by force of arms. For twenty-one years American marines have been stationed in Nicaragua; and today Nicaragua is politically less stable and economically less advanced than almost any other country on this Continent.

The policy of Secretary Root was notably successful but it was in marked distinction to that followed by his successor, Mr. Knox, who adopted the so-called policy of "Dollar Diplomacy." The pernicious effects of "Dollar Diplomacy" were immediate and far reaching, and they persisted until 1913 when President Wilson took definite steps to establish relations with the other American republics on a firmer and more enduring foundation

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

— the foundation of friendship, justice, equality and constitutional liberty. In a speech at Mobile, entitled "A New Latin American Policy," he sounded a new and refreshing note in defining the ideals and principles which should actuate and guide this nation in its relations with the other American nations. Speaking of those nations, he said: "We must show ourselves their friends and champions upon terms of equality and honor — you cannot be friends upon any other terms than upon the terms of equality. You cannot be friends at all except upon the terms of honor. We must show ourselves friends by comprehending their interest whether it squares with our own or not. It is a very perilous thing to determine the foreign policy of a nation in the terms of material interest. It not only is unfair to those with whom you are dealing, but it is degrading as regards your own actions." His conception of Pan-Americanism was "the relationship of a family of mankind devoted to the development of true constitutional liberty" which would emphasize "human rights, national integrity and opportunity" as against blindly selfish material interests.

President Wilson's pronouncements created a most favorable impression and prepared the way for an immediate improvement in Pan-American affairs. In spite of the World War, which so dislocated international relationships and absorbed American thought and attention as to leave little time for dealing with purely Latin American matters, distinct progress was made towards putting his program into effect. It is fair to say that when his Administration ended the relations between the United States and Latin America were on a much more satisfactory basis than they had been before or than they are today.

III

We have now taken stock of the fact that only during the early struggles of the Latin American republics, and at more or less isolated periods in recent years, has this Government been animated by a sincere desire to win the confidence of those countries. If one realizes this, and recognizes further that the general sentiment of Latin America towards the United States is one of suspicion, fear and latent hostility, the logical queries must be: "What are the precise reasons for the existence of such conditions?" "How can they be corrected?"

The answer to the first of these questions can be stated briefly.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

First, the insistence that the other American republics are not concerned in either the interpretation or the enforcement of the Monroe Doctrine, notwithstanding the radically different conditions which have developed on this Continent during the hundred and seven years since it was first proclaimed, has given rise to misunderstanding, misapprehension, and perhaps unjustified but nevertheless very real, resentment; second, the assertion on the part of the United States of the right of intervention is regarded generally throughout Latin America as a violation of the accepted doctrines of international law and has created hostility and suspicion; third, the maintenance by this country of a rigid protective tariff, which has never been modified to meet special conditions or special exigencies which might exist in some Latin American republic, has not only gravely retarded the healthy growth of commercial intercourse but has in certain cases seriously endangered the prosperity of the republic in question, creating bitter animosity, both individual and national, and incidentally losing for us many potential customers.

If these three general causes are accepted as explaining the present distrust on the part of the Latin American republics towards the United States, we may proceed to seek an answer to the second of our questions, "How can these conditions be corrected?"

First consideration should be given to the effect of the tariff and other restrictions on political and commercial relations with Latin America. The framers of our tariff acts during the past decade have forgotten the axiom "that the policy of excessive and unscientific protection means in the long run the sacrifice of the foreign market," and, what is more important, have disregarded the self-evident truth that foreign policy must be considered in the framing of tariff legislation which seriously hampers commerce with other nations.

Through tariff increases and quarantine regulations the United States has succeeded in closing tightly the doors of its market to almost every form of product from many of the Latin American countries. Brazil is one of the few Latin American countries that has not been affected by our tariff because her chief export, coffee, is on the free list, which largely accounts for the fact that Brazil is more friendly to the United States than are most of the Latin American countries.

Argentina and Cuba may be cited as striking instances where the restrictions imposed by this Government have created ill will

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

or hardship. Argentina's wheat and linseed are kept out by the American tariff; her frozen meats and fruits are barred by quarantine regulations; and her alfalfa seed is excluded on the ground that it is not adapted to climatic conditions here. It is not surprising, therefore, that people in Argentina should raise the cry to buy only from those who buy from them. The questionable benefits which American producers have derived from shutting out Argentina's products, the volume of which would not in any event have been very appreciable in this market, could not possibly compensate for the loss which our exporters face in the reduction of sales to a customer that has been taking some $200,000,000 annually of our products.

A few years ago Cuba became the largest customer of this country among the Latin American countries. By increasing the duty on sugar, Cuba's chief export, until it now equals the cost of production, the United States has not only succeeded in destroying Cuba's former power to purchase our goods but it has helped to bring about serious economic distress and insecurity in Cuba, which in turn has resulted in huge losses to American investors. These losses are considerably in excess of the total amount invested in the beet sugar industry of this country, for the supposed benefit of which our tariff action was taken. Moreover, in addition to the loss in trade and commerce, and in addition to the wiping out of millions of dollars of American investments in Cuba, the American people have paid in indirect taxes on sugar much more than the total investment in the American beet sugar industry.

Trade and commerce with the Latin American countries is of inestimable value to the United States. If this nation is to maintain its influential position in foreign commerce it is essential that they take our goods at least on equal terms with the goods of the other exporting nations. We cannot, however, enjoy the benefits of that great market, with its incalculable potentialities, if we lose the good will of the Latin American people and reduce their desire and their ability to purchase our products. We cannot have their friendship unless we treat them as friends; we cannot build up our trade with them unless we let them trade with us.

If it is the will of the American people to maintain protection for the domestic producer, the Executive Department of the Government should exert every effort to keep it within reasonable bounds, so as not to impair vitally our commercial and political

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

relations. When tariff legislation is being framed, the opinion of the Executive Department charged with the conduct of foreign relations should be required whenever schedules which affect importations from the Latin American republics are under consideration; and whenever the Secretary of State can show that the schedules proposed will prove fundamentally prejudicial to our Latin American relations, his recommendations should be given due consideration. If quarantine regulations are imposed to prevent the entrance of disease and agricultural pests, such action should be taken without needless offense and not as a subterfuge or substitute for a prohibitive tariff. If the requirements of our Latin American policy — and the interests of the American people as a whole — are considered whenever tariff and other restrictions on Latin American imports are imposed, one of the chief obstacles to Pan-American understanding and coöperation will have been removed.

Let us now turn to the question of intervention. It must be recognized that this term "intervention" means not only physical intervention by the military forces of the United States, but likewise undue interference through diplomatic channels in the internal affairs of an independent nation, particularly when such interference is predicated upon the theory that once an American citizen acquires property in some Latin American republic he removes it forever from the jurisdiction of the government of the country in which it is located. The second of these two phases of intervention, although perhaps less well known, has been far more frequently employed than the former, and is just as detrimental to the true interests of the United States. If this country recognizes the sovereignty of the other American republics it must in its dealings with them respect their power to determine by law property rights within their jurisdiction in the same manner as are determined the rights of property holders within the borders of the United States and within its jurisdiction. Diplomatic intervention should go no further, under the modern construction of international law, than interposition on behalf of the person or property of an American citizen resident in a Latin American republic in the event that the authorities or the courts of that country have notoriously failed to afford legitimate protection.

Military intervention in Latin America can be justified upon only one ground, namely, our national safety. The public has

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

often been informed by officials of the United States Government, and by innumerable orators who glibly refer to the Monroe Doctrine without knowing what it is, that the Monroe Doctrine vests in the United States a sort of hegemony over the rest of the American continents and confers on it a police power to take action whenever this Government considers it necessary to rectify conditions which do not suit it. There is not the slightest basis for such allegations. No thinking citizen of the United States will deny that the security of the Panama Canal Zone is a matter of vital importance to the United States and that open anarchy in any republic adjacent to that region which might bring about non-American intervention there is for that reason a threat to the safety of the United States. Self-protection is an innate right of every nation, as it is of every individual, and should the United States be obliged to intervene with military force as a matter of self-protection in defense of its own national existence no one can question the legitimacy of such action. The danger with this doctrine, however, is that there will inevitably be divergence of opinion as to the nature of the emergency.

The United States has intervened repeatedly with its military forces in the smaller republics of the Caribbean and of Central America during the past quarter of a century. In most of these instances the threat to our own security was not sufficiently grave to warrant the action taken. An exception was the military intervention in the Republic of Haiti in 1915, when a European Power was actually on the point of landing armed forces. But this was only an exception, and time and again the nations of Latin America have been aroused by our methods, and have even upon occasion formally protested against our disregard for the sovereignty of one of their number. Sometimes, as recently in the Nicaraguan intervention, their animosity has been raised to a fever pitch due to a belief that the action taken by the United States was dictated solely by its ambitions for commercial expansion and economic domination.

The question undeniably is perplexing. On the one hand, the United States cannot renounce its right of self-protection; on the other hand, if it desires to place its relationship with Latin America upon a new and solid foundation it cannot continue to engender suspicions and animosity by the methods which it has often pursued in the past. There is, it would appear, but one solution of this problem. The safety of the Panama Canal Zone, while

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

it is a matter of vital interest to the United States, is at the same time a matter of intimate concern to every republic of this hemisphere. European or Asiatic intervention here would not only be a threat to the security of the United States; it would at the same time be a threat to the security of every other American republic. If, therefore, military intervention in an independent American republic becomes essential in the interest of the United States, it must at the same time be essential in the interest of other American states. Why, therefore, should not the United States, in case it deems such intervention necessary, act in conjunction with the other American republics in undertaking such intervention? Should the other American republics not desire to coöperate, the United States would still have the same power to proceed with single-handed intervention. It should do this, however, only after the fullest and frankest consultation with the other republics, and after due notification to them of the weighty reasons which have induced it to embark upon such a step.

Were the Government of the United States to announce that in the future it would intervene in a republic of Latin America only in conjunction with, or after consultation with, the other American republics, the second obstacle to real friendship with Latin America would vanish.

Finally, there is the question of the Monroe Doctrine — that fundamental policy of the United States which is so clear in its meaning but which has been, and still is, so generally misunderstood.

As Secretary Hughes summarized it, the Doctrine, properly understood, "is opposed (1) to any non-American action encroaching upon the political independence of American States under any guise, and, (2) to the acquisition in any manner of the control of additional territory in this hemisphere by any non-American power." The Doctrine was asserted by the United States over a century ago as a measure of self-defense to meet the threat of aggression in this hemisphere by old world Powers which had formed an alliance to uphold monarchial government and to combat the rising tide of democracy, and it has been maintained ever since as a foundation stone of our national foreign policy. Although announced solely as a policy of America towards Europe it has often been distorted — even by officials of the United States — into a policy of the United States towards our sister republics on this side of the Atlantic.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Mr. Reuben Clark's memorandum on the Monroe Doctrine, prepared after an exhaustive study of the Doctrine's origin, meaning and intent, and published by the State Department about two years ago, should contribute to a better understanding of its benefits and its limitations. In summarizing his conclusions, Mr. Clark said:

> The Doctrine does not concern itself with purely inter-American relations; it has nothing to do with the relationship between the United States and other American nations, except where other American nations shall become involved with European governments in arrangements which threaten the security of the United States, and even in such cases, the Doctrine runs against the European country, not the American nation, and the United States would primarily deal thereunder with the European country and not with the American nation concerned. The Doctrine states a case of the United States *vs.* Europe and not of the United States *vs.* Latin America.[2]

At times disregarded by the United States itself, always resented by the European Powers, and frequently threatened by them, the Monroe Doctrine has nevertheless insured throughout a century the security, liberty and independence of all the Americas.

To say this is not to ignore the fact that great policies of state have their evolutionary processes. Just as the common law has retained its vitality through its ability to grow and adapt itself to the never-ceasing changes in human life, so doctrines of international policy must adapt themselves to intellectual and moral progress if they are to survive. The conditions which existed a century ago, and which were the occasion of the promulgation of the Doctrine, may be said to have survived basically, but the western hemisphere occupies a very different position in the world today, and particularly with reference to the nations of Europe, than it did in the time of President Monroe. It is obvious, therefore, that the applications of the Doctrine which are now necessary have lost the direct simplicity which existed at the time when it was formulated; and loyalty to the principle of the Doctrine and consistent respect for it, in the truest and most comprehensive sense, involves a recognition of its capacity for adaptation to the changing situation which the passage of the years necessarily compels.

It was with a recognition of this truth that Secretary Colby,

[2] "Memorandum on the Monroe Doctrine," by J. Reuben Clark, Under-Secretary of State, Washington: Superintendent of Documents, Dec. 17, 1928, p. xxiv.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

on a visit to South America in 1920 as an emissary of President Wilson, said in referring to the Monroe Doctrine in a speech at Montevideo: "I cannot understand how there can be any misconception of the farsighted, unselfish and fraternal policy of the Monroe Doctrine in the light of its century of useful service, not to this hemisphere alone, but to the whole world." And he added that the doctrine of the inviolability of republican institutions in the western continents speaks with an ever swelling note throughout the world, "as nation after nation has outgrown the need of its protection, and become, with full equality, a participant in its maintenance and assertion."

By its very nature, the Doctrine is the opposite of aggressive. The very causes which brought it into being should preserve it from the taint of imperialism. Yet because the Government of the United States has believed that it was entitled to reserve to itself alone the responsibility of maintaining and interpreting the Doctrine, there has grown up in Latin America a serious misconception of the Doctrine's true intent, and this misconception has prepared the ground for the belief prevalent in Latin America today that the Doctrine masks imperialistic ambitions on the part of the United States and implies a protectorate by the United States over the Latin American world.

The United States, instead of being a small new country as it was when the Monroe Doctrine was promulgated, is today a nation second to none in power. Many of the other American republics have also grown to be of first rank in the world. There is no Latin American state which would not favor, as of vital importance to itself, the continuance of the real principles of the Doctrine. The reason for the evident misunderstanding, then, is simply and solely the fact that the United States has insisted upon being the sole arbiter of the Doctrine's maintenance and interpretation. Would there still be this misconception, with the ensuing fears and resentments, if each one of the Latin American republics were to proclaim as part of its own fundamental national policy the principles embodied in the Monroe Doctrine? Were the United States, while maintaining the Monroe Doctrine as a cardinal principle of its national policy, to invite its sister American republics to proclaim those principles as an integral part of their own national policy, would it be possible for any misinterpretation and misconception of the ultimate aims of the Government of the United States to continue as a festering sore in the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

international life of the Western Hemisphere? The Monroe Doctrine, by its nature, can never entail contractual obligations between nations. And yet, if Pan-Americanism is to be considered as a practical, living force and not purely as a theoretical fantasy, is there any valid reason why the chief principle of that Doctrine, which makes and has made Pan-Americanism possible, should not be proclaimed as a part of the national policy of each one of the independent republics which owe it so much?

The United States, with its world-wide trade and commerce, has today a stake in the peace and stability of every land. Isolation is a mirage. Though we are powerful, we cannot be a law unto ourselves, and to attempt to be does us both material and moral harm. Instead, therefore, of trying vainly to remain apart, instead of holding mistrustfully aloof from the councils of the nations which are engaged in efforts to solve problems directly and vitally affecting our peace and prosperity, we should be steadily and consistently seeking a more friendly and intimate association with all nations and taking the lead in fostering every sincere coöperative effort to strengthen world peace and promote world progress. Our interest it is to share in the benefits of a world at peace and at work.

What more natural and logical, then, than for us to turn to those twenty republics to the south of us, whose independence was obtained only shortly after our own, whose belief in democracy — despite vicissitudes in the art of self-government — is similar to our own, and whose experience along the road from relative insignificance to a proud and important position in the world today has in many respects paralleled our own? As a practical matter it is almost essential to our national interests to obtain the loyal and consistent coöperation and support of these states. Until the possibility of war is definitely removed we cannot as a nation ignore the fact that the defense of our seaboard — both the Atlantic and the Pacific — depends upon the rapidity with which our fleet can be mobilized through the Panama Canal and that the security of the Canal depends to a large extent upon the good will of the adjacent republics. Nor can we ignore the fact that our ability to repel attack also depends upon at least the strict neutrality of the other republics on the continent. Only through true coöperation between them and the United States, only through a realization on our part of how much our international policy has in common with theirs, can we achieve that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ideal which Secretary Root urged at Rio de Janeiro in 1906 in these memorable words, the truth of which is perhaps even more striking today than it was when he uttered them a quarter of a century ago: "Let us unite in creating and maintaining and making effective an all-American public opinion, whose power shall influence international conduct and prevent international ruin, and narrow the causes of war, and forever preserve our free lands from the burden of such armaments as are massed behind the frontiers of Europe, and bring us ever nearer to the perfection of ordered liberty."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE MOTHER OF PARLIAMENTS

By Harold J. Laski

NO ONE who examines the present position of parliamentary government in England can be satisfied with it. The sense is widespread that it no longer functions with the ease and efficiency which would make it the proper vehicle for carrying the burden it has to bear. It is not only that it is overwhelmed by the pressure of business. It is not only that, in the ordinary conditions of majority rule, it is so dominated by the power of the Cabinet that the independent judgment of the private member has virtually ceased to exist. It is not even that the composition of the House of Lords is a tragic anachronism in the democratic state. The difficulties go deeper than issues which even large procedural changes can solve. Such issues are, indeed, vital in all conscience. But what is coming rapidly into the foreground of discussion is the very thesis of parliamentary government itself.

Anyone who analyzes its triumphs during the nineteenth century cannot fail to be struck by the peculiar conditions of its success. For the most part, it was either concerned with the solution of large governmental problems — the franchise, religious toleration, the establishment of a national education system — or with economic problems like the limitation of hours of labor and the control of factory conditions, which lent themselves by their very nature to analysis by party discussion. The two major parties, moreover, were in general agreement upon the kind of life they desired England to live. There was a fundamental unity of underlying outlook between them, so that they could agree to disagree peaceably about their differences. The party in opposition did not, when it came to power, seek an alteration in the fundamental contours of social life.

None of these conditions exists in the England of 1931. The main questions for discussion are, in almost any field, of so technical a character, so quantitative in their aspect, that discussion by party debate is not, at least obviously, the best method for their solution. The House of Commons cannot discuss a problem like that of the grouping of mines in a coal field with the same hope of illumination as it can discuss the rights of the Established Church in the state. And the extent of the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

issues raised in a society whose main concern is the field of social service means that few things can be discussed really adequately if the government of the day is to carry through any considerable program. The private member must surrender his right not only to debate, but also his power, save in the most exceptional circumstances, to vote against his party. The House of Commons becomes not a legislative assembly, in the classical sense of the term, but the organ of registration for the Cabinet; the center of effective power has passed to the Cabinet.

That is not all. As the power of the House has declined, so the power of the civil service has grown. The modern government department may not unfairly be described as a subordinate legislature with powers of action so wide (let it be added, so necessarily wide) that only the rare threat of parliamentary revolt can check them. And when a Labor Government is in power the situation is necessarily exacerbated. Its situation as a minority government means that it cannot control the time-table of the House, which involves the loss of the authority necessary to carry through a program with any hope of continuity. Because, further, it is dependent upon the good will of the Liberal Party, the politics of policy tends to be replaced by the politics of manœuvre; the government is less inclined to introduce the measures it believes to be satisfactory than those which it believes will enable it to survive. This has the bad effect of lowering the morale of the House. What is observed is not the clash of great principle so much as a challenge to ingenuity to devise halfway measures in which no one quite possesses confidence. And since a minority government cannot hope to survive the full term of a parliamentary period, the House of Lords is encouraged by its weakness to destroy the larger part of the government's legislation and thereby to negative any hope of full creativeness while a government of the Left is in office.

A Cabinet driven to death by the overwhelming multiplicity of business so that it rarely has time to think; a Parliament so burdened that nothing, least of all finance, can be discussed thoroughly; a private member so controlled by the strength of party ties that he can rarely hope for independence; a body of issues so complex in character that their illumination in debate is increasingly difficult — this, broadly stated, is the situation with which Great Britain is confronted. It is seeking to deal with the problems of the twentieth century by an institution devised to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

deal with the problems of the nineteenth. No one who knows the situation can doubt its urgency; for a failure to persuade men that an institutional system can produce results is the first step to a distrust of reason. And when men begin to distrust reason, their faith in the advantages of constitutional government wanes and thereby opens prospects of which the outcome might easily be disaster.

II

It is unnecessary to say that there are innumerable panaceas for this condition. Sir Oswald Mosley has gone back to the war-time expedient of a super-cabinet of five, hardly responsible, except in matters of largest principle, to the House of Commons; but since that is to propose the virtual abandonment of parliamentary government he has found no serious support for his plan. To Mrs. Sidney Webb the remedy lies in dividing foreign and imperial affairs from domestic issues, and creating separate parliaments to deal with each; but her plan breaks down, above all on questions of finance, but secondarily on the facts that governments of different complexion in each chamber would create an impossible position and that a clear-cut differentiation of categories such as she proposes is in fact unattainable. To the Liberals generally, and to Professor Ramsay Muir in particular, proportional representation is the way out; but the great mass of observers is agreed that continental experience of its operation makes the virtues claimed for it incompatible with the practical efficiency of government. Some observers are enthusiasts for devolution to national parliaments; but (as I have elsewhere shown) such a remedy would barely save one-fifth of present parliamentary time, and the relief it offers is insufficient.

Nor must we omit the grave difficulty of any reform of the House of Lords. Officially, the Conservative Party is averse to any scheme which does not create a strong second chamber capable of resisting any excessive socialistic innovations; they are therefore unwilling to abandon the hereditary principle as the basis of its character. The Labor Party, in its turn, is officially opposed to the existence of any second chamber; and such models as it might be prepared to adapt to English use — that of Norway for instance — could not possibly serve the ends the Conservative Party has in view. In this contest it is certain, either that the next conservative administration will so reform

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the second chamber as to create an institution capable of resisting any drastic change in a socialist direction; or that, leaving the problem untouched, it will prepare thereby the path for a vital struggle between the two houses as soon as the Labor Party obtains a majority and embarks upon an ample program. It was a dictum of Lord Rosebery's that the House of Lords will pass in a storm; certainly it can be predicted with confidence that any such struggle will be so interwoven with questions about the place of property in the state as to go down to the fundamental roots of social organization.

One further point in diagnosis is important. The Labor Party differs from its forerunners in that its whole approach to political questions envisages the attainment of a different kind of society from that to which they give their allegiance. The whole explanation of its development lies in its emphasis on this difference. But its power depends upon the general conviction among its adherents that the parliamentary machine can achieve the ends it has in view. This, clearly, is a problem in time; and it involves a power to produce within a reasonable period change significant enough in scope to justify that faith. Experience of the present administration has not deepened that conviction; and it is not impossible that, if it is followed by a long period of reaction and a third Labor Government still unpossessed of a majority, there would be a rapid decline of faith in constitutional methods among English socialists. The importance of such a decline, if, for instance, the Russian Five Year Plan were to succeed, is too obvious to need extended analysis.

III

Any effort to cope with the problem of parliamentary government must have clearly in view the ends it is to serve. It must preserve the essential initiative of government in the making of policy, since otherwise there is no prospect of coherent plan in legislation. But, simultaneously, it must restore to the private member his self-respect; he must feel that he is something more than a mere unit in a voting-machine. It is important, further, to seek ways and means to relieve the pressure on parliamentary time, and at the same time see to it that no quasi-legislative powers are delegated to the departments without proper safeguards against their abuse. If there is to be a second chamber, it must be so constructed that it cannot mangle the program of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

any government with a majority. And, finally, the structure of the Cabinet must be so revised that its members are free to plan a coherent scheme of legislative work.

These are not ends easy of attainment, for the popular interest in methods as compared with results is small, and few governments are prepared to sacrifice the time necessary for the consideration of procedure. Confronted by these problems, for instance, all that the MacDonald Government has done is to appoint a Select Committee of the House of Commons to inquire into the reform of parliamentary procedure. That is merely a way of shelving the whole question. For it is evident that no action can be taken without the direct and insistent initiative of the Cabinet; and a Select Committee of the three parties is almost certain to present a number of divergent reports. The Cabinet will then ride off on the fact that no unanimous feeling has revealed itself and take advantage of the division of opinion to do nothing.

Let us suppose, however, that a government was in office determined to bend its energies to the question. What lines of possible action could it usefully explore? It is clear, in the first place, that the excessive domination of the Cabinet is derived from its power to make any problem involve a vote of confidence, which might result either in its resignation or even in a general election. Few members will have the hardihood to oppose their party when such consequences hang in the balance. And it must be admitted that on matters of essential import the Government is entitled to seek to impose its will upon the House. It is clear, further, that in all matters of finance it must retain its initiative unimpaired; any other hypothesis of action leads directly to the kind of chaos American experience has so long encountered.

But middle ground is possible. On the committee stages of a bill there is wide room for legitimate and uncontroversial differences of opinion. If the Speaker — who in England is essentially the impartial arbiter of debate — were given the right to decide which clauses raised matters of essential principle, and it was understood that on clauses of secondary importance the decision of the House did not involve the fate of the Government, a considerable range of independence would be restored to the private member. He would once more become a personage; and since it is a commonplace that the best discussions of the House are those in which — as in the Prayer Book debate — the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

private member is unfettered by party ties, the level of debate would at once be raised. Much of the present artificial atmosphere would be removed; and the restoration of effective result to the criticism of private members would give them a new and valuable sense of responsibility.

It is a further difficulty of the present procedure that the relationship of the House to a measure does not begin until the prestige of the Government is associated with it. To yield to criticism, therefore, even in minor matters, involves a loss of prestige to the Minister concerned. He is tempted to the use of party discipline by the whole atmosphere in which legislation is prepared. There is no good reason why this should be the case. Again, it has the result of making debate unreal and stimulating the use of obstructive methods by the Opposition. Because they cannot hope to affect the result, they are inevitably persuaded to maximize the difficulty of its attainment.

If the House were to organize advisory committees of members to sit with the Minister of each Department much of this could be obviated. Such advisory committees, composed of representatives of the different parties, could perform several useful functions. They could be consulted on bills before their introduction to the House, at a stage where confidential criticism could still affect their substance. They could be used to undertake inquiry and to stimulate investigation. They might serve as the guardian of the legislature's interest in the operation of all delegated power by the civil service. A wise member could, while retaining full responsibility for his actions, use such committees as a vehicle of informed support in the House which would go far to increase the constructiveness of the latter, without subjecting him to the kind of control which the committees of Congress or the French Chamber involves. They are no more than a rational extension of the select committee system, giving to that method coherence and continuity. They would have the admirable result, further, of training the average private member to an appreciation of the business of administration. He would have that valuable sense of a community of interest with the civil service which is one of the main safeguards against obstruction in the legislature and bureaucracy in the Departments. Anyone who is aware of the valuable work already done by advisory committees within the present administrative structure of Great Britain will at least feel inclined to experiment with these possibilities.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

To bring about the redintegration of the private member one further change is worthy of consideration. At present, while he has an unlimited right to introduce bills for discussion, he has practically no hope that they will reach the statute-book; no really important measure has emanated from a private member these twenty years. The reason is twofold. On the one hand, the government inevitably dominates the time-table of the House; on the other, private members' time is used less for the idea of legislation as such than for the ventilation of individual idiosyncrasy from which no consequences may be expected. But this, it may be suggested, is wasteful in two ways. It makes for the introduction of worthless or unreasonable measures; and it persuades the House that private members' days are a time for elegant trifling rather than for serious business.

That need not be the case. If Great Britain were to adapt to her purposes some such method as the public hearings system of Massachusetts nothing but good would, I believe, result. What form could such an adaptation take? Let us assume that a private member desires consideration for some proposal he believes to be important. To insure that consideration, he should be asked to win, not an accidental place on the ballot, but the backing of, say, one-quarter of the membership of the House. That would assure that no time need be wasted, as now, on frivolous or unimportant measures. If such support were forthcoming, the bill would be sent to a select committee which would hold "hearings" upon the measure, as a select committee now does. If the bill were favorably reported to the House, the present tie of private members could be utilized to secure its passage through further stages. If it were unfavorably reported, at least there would be on record a valuable body of information about the subject of it for the instruction of public opinion. The private member, by this means, would have open to him a real field of legislative initiative without his action involving the responsibility of the government. It is difficult not to feel that such a method would do much to prevent the present feeling of sterility by which he is oppressed.

Two further changes are worth consideration. At present a large part of the House's time is taken up by the need to discuss local government measures which arise from the strictly limited field of competence now assigned to municipal and county councils. The effect is evil in three ways. It is very expensive; it wastes valuable time on matters of comparative unimportance;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and it deprives local authorities of that initiative and responsibility in their work from which creative action is born. It is difficult to see why the present centralization is necessary. If the German method of forbidding certain action to local authorities and leaving them free to act outside the prohibited area were adopted — under, of course, suitable safeguards — the result would be the wholly admirable one of saving considerable time for matters of real significance, and giving the good local authority the chance to pursue effective adventure.

Increasing decentralization is desirable, also, in the industrial field. Great industries like coal and cotton, shipbuilding and engineering, are units of government not less real and important than London and Lancashire. They need, therefore, no less than do these, their appropriate organs of government. At present, disturbance in any one of them means at once, and undesirably, reference to the House of Commons. It is difficult to see why there should not be developed for each industry a council with legislative powers, subject, of course, to the overriding will of Parliament. It would be necessary to define their powers with scrupulous care. It would be unwise, further, to make their composition simply a balance between capital and labor; what is required is a membership not only of these, but also of the technician and of representatives of the public so that the balance of authority is never within the industry, and deadlock is avoided. But, granting this, the development of representative government in the major industries would go far to make possible a large and agreed program of development; and it would at least minimize, by the interposition of intermediate institutions, the danger that the House of Commons must spend continuously (as in a matter like the mining industry since 1919) a considerable proportion of its time upon problems with which its composition does not peculiarly suit it to deal.

IV

Such changes would, I venture to think, do much to make the House of Commons a body which could come to grips with the issues before it in a realistic way. But no alteration in its functions would be satisfactory which did not deal with the problem of the Cabinet and the relation of the House to the second chamber. For the Cabinet has become a sadly overworked body, much too large for the functions it has to perform. Its division, despite the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

assumption of collective responsibility, into an inner and outer Cabinet, the first of which is alone really effective on major matters, is well known; and it is an open secret that most Cabinet ministers are so overwhelmed by the details of their departmental work that they have no time to devote to the consideration of general policy. That, indeed, was the case for Mr. Lloyd George's War Cabinet of five, freed from all departmental functions; and though the expedient did not prove satisfactory, the end it had in view cannot be neglected if the Cabinet is to carry out its work in an effective way.

To do so, it must not be, as both Sir Robert Peel and Lord Haldane insisted, more than twelve in number; beyond that size, it becomes an unwieldy body in which coherency of outlook is difficult to attain. And such a reduction is perfectly possible. Most students of administration are agreed that, if adequate coördination is to be attained, we need a Ministry of Defense, in which the present Ministries of War, the Navy and Air, are constituent bodies. By making the Minister of Defense the representative of the fighting services in the Cabinet, two members could be at once omitted. Similarly, proper coördination demands the fusion of the Board of Trade, the Ministry of Agriculture, and the Ministry of Labor into a single Ministry of Production. Nor does a cabinet need three ministers of the type represented by the Lord Privy Seal, who have no administrative functions; a single such minister suffices. The separation of the Dominions and Colonies was unnecessary, as was the elevation of the Secretaryship of Scotland to permanent cabinet rank, except upon grounds of punctilio; and if these were sacrificed to administrative experience, two further omissions become possible. By appropriate transfer and reorganization, moreover, a single Ministry of Justice could replace the two posts of Home Secretary and Lord Chancellor; the latter, as head of the English judicial system, ought not to be in the Cabinet at all. Such reorganization would give us a Cabinet of fourteen instead of twenty-two; and both Mr. Baldwin and Mr. MacDonald have had colleagues in the Cabinet — the Postmaster-General in the Baldwin Government, for instance — who ought not to be there at all.

The value of such reorganization would be great. By throwing the emphasis of minor administration on subordinate ministers, it would set the more important cabinet officers free to think out general policy; while it would not suffer from the defect in-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

herent in Mr. Lloyd George's plan of divorcing responsibility for principle from interest in its execution. That conference of responsibility on the subordinate minister, moreover, would give him added prestige in the House of Commons, so that something of the burden of constant attendance there in minor matters need not fall upon the men whose responsibility is for the general conduct of affairs. They would still be available to the House for all important occasions; but it would be possible to recognize that matters of detail could reasonably be entrusted to their subordinate colleagues. It is difficult to overemphasize the saving in time and energy such a reorganization would represent.

The second matter is the relationship of the House of Commons to the second chamber. A conflict between the House of Lords and a Labor Government is only a matter of time; and its occurrence raises the very serious question of whether, in an age when rapid legislative adjustment is essential, any second chamber is desirable in a unitary state. For, as Bentham said, if it agrees with the first, it is superfluous, while if it disagrees it is obnoxious. A second chamber large enough to possess a representative character is deprived by its size of the possibility of performing adequately the task of technical revision, which is one of the supposed functions for which a second chamber is necessary; while unless it is elected by popular vote, it cannot hope to possess sufficient authority seriously to delay the action of the House of Commons. Any effort to discover a satisfactory basis for a new second chamber in England has so far proved unsatisfactory. Were one to be found, its essence would almost certainly lie in its comparative powerlessness. But to reach that position will certainly involve a struggle of grave proportions in which it is at least probable that the foundations of the British constitutional system will be remade.

V

The gravest danger that any state confronts is the tendency to confound the institutions it has inherited with the necessary structure of society. Some such danger as this Great Britain confronts at the present time. Readjustment is so delicate a task that no government is anxious to undertake it if it can be avoided. Novelty and experiment are always formidable; and this is especially the case with a system so deeply rooted in the historic past as the British Constitution.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Yet the weaknesses of the system before the present necessities are painfully apparent. Only one of its historic purposes — the function of selecting men for high office by the test of their qualities afforded by debate — can be said to be adequately fulfilled; in the achievement of every other purpose its inadequacies are obvious to anyone who analyzes its operation. Men will not continue to trust an institution which is no longer able to act as more than an appendage to the Cabinet. They resent increasingly the slow cumbrousness of its procedure. They are no longer educated by its debates as they were in its apogee under Gladstone and Disraeli. The work it is seeking to do is too different from the work it was intended to perform to make minor adjustments any longer adequate as a mode of reconstruction. There come times in the history of every institutional system when thoroughgoing reform is the sole basis of preservation. Such a period Great Britain has now reached. If her statesmen have the will to shape drastic experiment, and the courage to carry it through to its end, there is no reason why the crisis should not be weathered successfully. But another decade of the present inadequacy will make the task far more delicate and dubious than it is today. To grasp the responsibility which the situation so clearly implies is, perhaps, the supreme test of British statesmanship at the present time.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CONSTRUCTIVE FUNCTIONS OF THE INTERNATIONAL BANK

By Shepard Morgan

OF ALL the main features of the Young Plan, the Bank for International Settlements was the only one upon which the Committee of Experts were agreed practically from the start. Whereas the strictly reparation features of the plan took the experts some seventeen weeks to bring to the point of agreement, they accepted the general framework of the bank within four. In one sense this prompt action was due to the fact that the work planned for the bank in connection with reparations was mainly administrative, and so stood outside the principal field of controversy. But it was also true that its non-reparation functions were designed to satisfy existing needs and so fell in appropriately with hopes and aspirations for a new financial order.

Between these two sets of functions a sharp line should be drawn. While the development of the reparations problem fixed the time and occasion for setting up the bank, and while reparations were expected to furnish it with the nucleus of its business during its formative years, it was believed that as the bank's other functions grew the administration of reparations would sink into secondary importance. It is these other functions, indeed, which justify its structure and the character of its management, and it is to them that one must look for its future importance. Many of them are still in their primary stages of development; but they give the bank its main points of interest for any observer of international financial relations.

Before moving to a consideration of some of these other functions one must recall the set of circumstances which led up to the establishment of the bank. At a very early stage in the work of the Experts' Committee, which met in Paris in February 1929, it was clear that some sort of an organization or institution would have to be created to handle the receipt and distribution of German reparation payments. At the cornerstone of the Young Plan was the intention of relieving Germany of all foreign commissions and agencies of control. This meant winding up the Reparation Commission, which had attempted to combine the functions of a tribunal with those of financial administration, and doing away with the Office for Reparation Payments in Berlin, which had

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

been charged with the duty, among others, of transferring the reparation annuities to the foreign creditors. The abolition of these agencies left a gap; for while the Young Plan placed upon Germany the entire responsibility for the collection and transfer of reparation funds, it was still necessary to have an institution outside of Germany which should carry out for the creditors the various functions connected with receipt and distribution, including mobilization — that is to say, the public issue of bonds capitalizing a part of the reparation annuities.

Except for the size of the operations involved there was nothing in these remnant reparation functions that was foreign to ordinary banking practice. But since no bank existed to which the countries concerned were prepared to commit the business, a new institution had to be created. By the middle of March 1929, the Experts agreed to a rough outline which summed up in general terms the functions proposed for the bank, both those which had to do with reparations and those which entered upon new fields of banking policy and practice. It is fortunate that agreement was reached thus early upon the broad conception of the bank, for it was possible during the remaining weeks of the conference, which did not terminate until June 7, 1929, to draw up the specific scheme for the bank's future activities in an atmosphere detached from the acrimonious debate which almost every other feature of the Young Plan encountered.

The government representatives, meeting the following summer in The Hague, accepted in principle the plan for the bank, and set in motion the machinery for summoning the Organization Committee which was to consider the plan in all its details and put it in legal form. The Committee met in Baden Baden during October and November 1929; it drew up the charter and statutes, and drafted a contract to be executed by the creditor governments with the bank, fixing its status as trustee for the receipt and distribution of reparation funds. The representatives of the governments, meeting again at The Hague in January 1930, gave these documents in finished form their final assent. The bank opened for business on May 20, 1930, at Basle, Switzerland.

II

The years before the war were years of comparative ease for the central banks. In England, France and Germany, for example, central banking was carried on according to well-tried

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

principles which placed full reliance upon the nearly automatic operation of the gold standard. In the United States there was then no central bank at all. But the extraordinary series of emergencies which the war created and which continued long after the war was over — immense pressure on the gold stocks, currency expansion, inflation, instability of the foreign exchanges, collapse of entire currency and credit systems, deflation and stabilization — all of these emergencies called for understanding and collaboration between central banks, for no country was exempt from their consequences whether derived from domestic causes or not. Accordingly, informal relationships developed between the principal central bankers in the effort to effect some working basis for the settlement of common problems. The establishment of the Federal Reserve Banks a few months after the war began and the rapid advance of the United States as an international credit centre brought the American banking system into the international arena of credit discussion and planning.

As at first carried on, these informal relationships were mostly a matter of visits and correspondence. The visits in particular proved a valuable means of furthering collaboration among central banks, and often served to create a common understanding of conditions special to the several countries or, it might be, of international concern.

But they had their drawbacks. Visits made over great distances by the governors of central banks, whose duties at home involved great responsibilities, consumed an undue amount of time; and whenever they attracted public notice it was assumed that the objects sought were even more important than the matters left behind. In the beginning some success was achieved in keeping such visits secret; but as time went on and the circle of the well-informed widened, their furtive character inevitably encouraged curiosity and finally suspicion. It is fair to say that latterly, and perhaps at an earlier stage also, the subjects discussed were far less concrete and less productive of agreement on specific courses of action than the public has been led to believe.

When the time came to plan the Bank for International Settlements it was clear that its operations must not run counter to the policies of the central banks, certainly within any central bank's own market. Accordingly, specific provisions were written into the plan and the statutes which effectively prevent the bank from operating in any market if the central bank concerned objects.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But this negative protection was not enough. The purpose was to make the bank a positive agency of collaboration between central banks and so to further central banking solidarity. It was this intention, quite as much as the desire to rid the bank of political entanglements, that led to placing its management in the hands of the central banks. The means used for realizing this purpose was to frame the board of directors around the governors of the central banks themselves. Under the statutes the heads of the central banks of Belgium, France, Germany, Great Britain, Italy, Japan and the United States each receive designation, if they choose to accept it, as ex-officio members of the board; and they are qualified, if they desire, to dominate the selection of the eighteen additional members.

The administration of the Bank for International Settlements, its policy and all of its operations, are subject to the approval of this board of directors and hence of the central banks. Even changes in its statutes cannot be made unless a two-thirds majority of its members agrees. Furthermore, by reason of the provision giving any central bank the general power of veto over any operation which the Bank for International Settlements may contemplate undertaking in its market, any central bank governor sitting on the board has complete protection against his colleagues if he is out-voted.

Because of the positive advantages accruing from membership on the board, and because also of the measures of protection afforded, it is difficult to see on what valid ground the administration at Washington acted when it declared itself opposed to participation in the Bank for International Settlements by a Federal Reserve Bank. By reason of that opposition the two American directors of the Bank for International Settlements — who are also its President and Alternate to the President — were not appointed by the Governor of the Federal Reserve Bank of New York, but were elected by five European central banks and the Bank of Japan. As matters have worked out, the loss is not to the Bank for International Settlements but to the Federal Reserve system, because it is impossible for it to maintain directly the natural and useful contact with world-wide financial conditions which participation in the bank would have afforded it.

The economic world has become too closely knit to make a policy of separatism profitable. No market is exempt, save over short periods of time, from the ills or the good fortune prevailing in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

another. Through ignorance or misunderstanding, salutary measures undertaken in one country may be neutralized by action elsewhere; or, on the other hand, measures deemed necessary in one country may work harm to its neighbor unless the danger is foreseen and guarded against. The economic tide never ebbs and flows at the same time in all countries; its movement is progressive, and early knowledge of its magnitude and direction is essential to intelligent financial administration. The periodic meetings of the directors of the bank, conducted in an atmosphere of collaboration, give the opportunity to exchange opinions and information, to understand personalities and purposes, and to make common plans when such are called for. These interchanges take place quite aside from what may be set out in the order of business for the day.

III

A distinguished banker of a former generation, much impressed at the spectacle of gold crossing the Atlantic in opposite directions at the same time, proposed a remedy for the losses which such movements involve. "I would take all the gold in the world," said he, "and put it on a desert island in the middle of the ocean. I would place it all in boxes, each labelled with the name of the nation owning it. I would then put a hermit in charge, and his sole duty would be to change from day to day the names on the boxes."

In this proposal lay the germ of the idea of an international gold settlement fund, an idea which has appealed for many years to practical bankers and theorists alike. Its purpose is partly one of economy, for it would substitute a simple system of debits and credits for the expensive operations of physical shipment, involving losses of interest, charges for freight and insurance, and so on. Since marginal amounts of gold are almost always under way from country to country, and since the receiver of today is often the shipper of tomorrow, it has seemed entirely within the field of modern banking practice to halt the shipments and effect the corresponding settlements on the books of a central agency. The Secretary of the Treasury of the United States, drawing conclusions from the events of the 1907 panic, declared himself prepared to consider proposals for setting up such a procedure. In its report for 1918, covering a still more difficult period, the Federal Reserve Board said it was ready, "if authorized to do so, to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

undertake negotiations looking to the establishment of an international gold exchange fund, or to assist in any way in its power in negotiations which may be begun by a government department looking to that end."

In the plan and statutes of the Bank for International Settlements the board of directors has ample authority to establish and operate within its discretion and under its regulations a gold settlement fund for the purpose of clearing accounts among central banks. Furthermore, supplementing its general power to receive and make deposits, the bank also has authority to set up a system of international clearings by the simple expedient of debiting and crediting on its books the accounts of central banks.

The Bank for International Settlements has already made a start in both directions. But the problems involved in operation are far more complex than the simple statement of powers implies. Their nature becomes manifest when one considers what becomes of the savings effected. In the case of a settlement obviating a shipment of gold, the savings would be approximately identical with the costs of freight and insurance, interest on the money value of the gold during transport, and incidental costs of handling and assay. In the case of a settlement effected when foreign exchange quotations are above the point at which gold shipments are commercially profitable, the savings would still be considerable. If one assumes for the moment that francs are obtainable below par in New York, and are convertible through the mechanism of the settlement fund into gold at par in New York, the savings would amount of course to the prevailing market depreciation of the franc. But difficulties enter at once when one asks the question, Who gets the benefit of the savings?

Suppose, for example, that the Bank for International Settlements takes all the savings to itself. In such case it is hard to see why any central bank should have much incentive to make use of its clearing system, because quite as good results in a money sense could be obtained by following the ordinary market procedure. Accordingly, the clearing system would be abortive from the start, and if the Bank for International Settlements undertook any such transaction upon its own initiative it would place itself in the impossible position of having intervened in the foreign exchange market for its own profit — a motive which the bank's quasi-public character largely excludes from determining its procedures.

Assume, in the second place, that the Bank for International

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Settlements takes none of the savings for itself, but passes them over in full to the central bank or banks interested in the transaction. The effect of this would be merely to transfer to the profit accounts of central banks the sums now distributed through a variety of hands, and would give no benefit at all to the vast number of banks, shippers and individuals who are more or less constantly engaged in international money transactions. Stating the case in another way, central banks would settle accounts with each other at par, but transactions of others would be subject to discount or premiums as at present.

Suppose, again, that the settlement fund is operated not for the benefit of the Bank for International Settlements or the central banks, but through them for the benefit of all who hold the currency of one country and require the currency of another. This would mean par settlements among all the countries participating in the fund, and would have the effect of eliminating time and space from international payments. Through the gold settlement fund of the Federal Reserve Banks much the same thing is in fact accomplished within the borders of the United States, to the great advantage of American commerce. But the international application of the principle is open to question on several grounds. At the present time the central banks of certain countries have difficulties enough in maintaining their stocks of gold within the statutory limits. Since a currency must fall to a certain discount in the foreign exchange market before gold flows away, there is a small element of protection to the gold stock which would not exist if settlements could be effected at par. In the next place, a visible outflow of gold is still believed to exert a salutary psychological influence on speculation and credit expansion, an effect which might be impaired if the gold were less vividly piped away on the books of an international settlement fund.

Thus there are good arguments against each of the assumed arrangements for dealing with the savings derivable from a gold settlement fund operated by the Bank for International Settlements. But while each proposal taken by itself presents difficulties which for the moment appear insurmountable, all three in combination suggest a workable solution. It cannot be presumed, certainly short of practical test, that any settlement fund will completely eliminate shipments of gold between important financial centers. Accordingly, the Bank for International Settlements should have such share in the savings as will compensate it

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

for the charges on any marginal shipments which it might have to undertake, and beyond this should receive a reasonable fee for its services. The central banks, being charged with the duty above all others of preserving the convertibility of their notes, should have the right to retain out of the present system certain of the advantages it holds from the protection of the gold stock. That implies that each central bank should be able to specify the rates at which it will receive or provide foreign currencies through the mechanism of the fund; but in order that maximum advantages should be passed on to international trade, these rates should gradually approach par. Such a flexible arrangement permits the central banks to maintain control and to adjust their operations to the new conditions in the light of experience.

The effect of this program is to narrow the margin between the gold points — that is to say, the points in foreign exchange fluctuations at which gold leaves a country and the point at which it enters. But there is nothing new or subversive about such a result. The mobility of gold, in fact, has increased progressively for many years if for no other reason because of technical improvements in transportation. The use of the airplane for moving gold between European countries and the multiplication of fast ships across the Atlantic have both resulted in bringing the gold points nearer together. But these are extraneous causes and unlike the method proposed stand outside the field of central banking influence.

The international settlement fund, if eventually the Bank for International Settlements establishes it, would not — and it ought not if it could — keep weak currencies on the gold standard or reëstablish the gold standard in countries not now observing it. But it would effect certain savings, it would reduce the range of foreign exchange fluctuations and make it easier to convert one currency into another. It would give the banker greater assurance that funds invested in a foreign country would not suffer marginal depreciation, and it would give the exporting merchant a more exact expectation with regard to the sums receivable in return for his goods. Like a new means of transportation, it would bring new business with it, and so it would play a part in developing the interchange between nations of goods and money.

IV

Dislocated credit, itself an aftermath of the war, is at the same time one of the factors which prolong the present period of de-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pression. Like many other economic phenomena it is both an effect and a cause, and with certain companion ills it is disposed to function in a vicious circle. Ingenious efforts have been made to break the circle, and other measures have been proposed; but for the most part relief has been left to the slow operation of natural forces — that is to say, to the complex of motives and actions, of trial and error, which in sum total represent the individual efforts of men to extract themselves from unhappy situations.

The evidence of credit dislocation is to be found, of course, in the vast volume of idle funds awaiting safe and profitable employment in some countries, while in others even essential enterprises suffer from lack of funds. The conduits which in normal circumstances would serve to distribute the excess have largely ceased to function and occasionally even work in the wrong direction, bringing funds from capital-poor markets to those already oversupplied. The explanation is as diverse as the times — incomplete recuperation from the war, political instability, the desire for security, the elimination of entire nations as free markets, the speculative collapse, the desire to escape taxation, the payment of debt, and a whole row of economic maladjustments. The question that at once presents itself is whether any single agency can summon enough authority to combat or direct the powerful forces now operating, or whether they must be left to work to their own conclusions.

It would be wrong to assume that the Bank for International Settlements has the powers or thus far the experience to make itself such an agency. Yet there is no denying that one of its functions is to relieve credit dislocation, to build a bridge between countries overstocked with credit to those understocked with it. The limitations on its action are those inherent in any credit transaction: the nature and volume of the funds it has to lend, and the fair capacity of the borrower to repay.

The credit-giving powers of the bank are not restricted to any one country, yet the special position of Germany as the country paying reparations makes credit conditions there a matter of particular concern to the bank, and they were so recognized in the Young Plan. During 1930 and up to the present time German credit conditions have been singularly difficult, inasmuch as the pressure on the money markets inherent in the payment of reparations has been aggravated by a large amount of short-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

dated debt awaiting conversion into long-term debt. By reason of the unwillingness of the American investor to buy foreign bonds, the market for German long-term securities in the United States has been practically closed for nearly a year, and except for scattering amounts of bonds sold in the Swiss, Scandinavian and Dutch markets, Germany has had very little assistance from other quarters. Foreign banks and bankers, it is true, have granted large credits to Germany, but their character as short-term loans failed to meet the principal and pressing need.

The shortage of long-term credits and the pressure exerted on the entire economy from other sources have had profound political consequences. The sudden success achieved by the National Socialists in the Reichstag elections of last autumn, while in the nature of a general protest, was nevertheless due in part to these special conditions. The latent capacity of these and other radical elements to precipitate public disturbances, having a distinct economic basis, will constitute a threat to the stability of republican institutions in Germany until the economic situation clears. The immense volume of short-dated debt owing to foreigners constitutes of itself a special and baffling phase of the problem. Foreign deposits in German banks and other forms of short-term loans from abroad, being subject to prompt withdrawal or cancellation, hamper political action and make it extraordinarily difficult to pursue any program which arouses political opposition abroad or causes alarm to foreign lenders. On two occasions since 1929, once when it appeared that the reparation conference in Paris had failed and again in the autumn of 1930 when the successes of the National Socialists at the polls aroused general apprehension both in Germany and abroad, the foreign-held short debt proved a serious menace to the economic welfare of the country. Large sums were withdrawn by foreigners, and the outward movement was augmented by the action of German depositors themselves, who took alarm and began sending balances abroad.

All of this shows how necessary it is, on both economic and political grounds, for the two fields overlap, to proceed as promptly as possible with the conversion of the German short-dated debt. But it should not be assumed that exigencies of this sort are to be found exclusively in Germany. They are perhaps even more acute elsewhere, as for example among many of Germany's neighbors in Central Europe from the Baltic to the Med-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

iterranean and in almost the whole continent of South America. Relief can come ultimately, of course, through the slow and painful process of saving and liquidation, but the duration and costs of such a procedure can be contemplated only with grave concern. The better prospect, if it can be realized, is to reopen the credit markets and restore normal relationships between lenders and borrowers at long term.

What, if anything, can the Bank for International Settlements do toward bringing about this result? It has, as a matter of fact, invested moderate amounts at long term out of its own funds available for that purpose, and it has given oral and practical encouragement to various projects designed to effect conversion and to bring about long-term investment in countries overburdened with short debt. But the question is larger than that.

The fact is, of course, that the Bank for International Settlements faces in this crisis a problem requiring for its solution the exercise of powers outside the range of its normal activities and in some sense antagonistic to them. Of all banks in the world, the Bank for International Settlements is probably least justified in committing the cardinal banking error of borrowing short and lending long — of using funds deposited with it, for instance, as the material for making long-term loans. The reason for this is clear. The Bank for International Settlements is a depositary for central banks, and for such of them as operate on the gold exchange standard it is a holder of part of their statutory reserves. Accordingly, it must exercise special care not to invest its funds for periods beyond the nearest date when they may be called for. Its liquidity must be absolute and complete, a requirement which makes it doubtful whether it will be able during its formative years to exercise a right granted to it in its statutes of issuing its own bonds and using the proceeds for long-term loans — at any rate for loans running beyond three years.

It is fair, therefore, to rule out any major intervention by the bank in the present crisis if this involves the direct or contingent use of its own credit. Nevertheless, the international character of the bank, the high hopes that were held out for it at the time of the Paris conference and thereafter, its independence and its influence, all create in the public mind the presumption that it can and will act in such an emergency as now exists. The tacit obligation thus incurred cannot be dismissed on technical grounds;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

instead, the technical grounds prescribe and in a sense limit the form which the relief can take.

The dilemma arising on the one hand from the character of the bank as a depositary for central banks, and on the other from its responsibilities with respect to relieving credit dislocation, was foreseen in 1929 at the Paris conference. In order to reconcile these two sets of obligations a collateral institution was proposed which should be capable of granting long-term credits on its own responsibility and at its own risk. The board of directors of the bank were to have the right to decide within their discretion as to the measure of participation which the bank should have in the proposed institution. The proposal met with opposition in the last days of the conference, but while the clause giving the specific authority was eliminated, the general powers of the board of directors were left broad enough to allow them to act whenever occasion should arise. This remains true under the statutes of the bank as they now exist.

In recent months projects for a collateral institution similar to the one proposed at Paris, and there rejected, have reappeared spontaneously in several European countries, and in one form or another have obtained influential support, particularly in England. The idea as at present conceived is that an institution should be created with its own capital stock, to be subscribed by leading banks and possibly industrial corporations, with authority to issue bonds in its own name, and with the power to grant long-term credits or buy securities in the market. The relation of the Bank for International Settlements to the proposed institution would be of a practical and coöperative character, but sufficiently remote in a financial sense so that it would be relieved of responsibility, moral or otherwise, with respect to the repayment of the obligations to be issued. In this way the technical obligations of the bank would be respected.

Both practical and partisan obstacles stand in the way of establishing such an institution. It is at best a mechanism, but its invaluable function would be to concentrate and accelerate forces now scattered and therefore ineffective. Anyone who recognizes the needs that exist in Central Europe and elsewhere must give the project sympathetic attention, and more particularly those who are sensible of the unspecified but none the less urgent responsibilities of the bank.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

GENERAL PERSHING AND THE A. E. F.

MY EXPERIENCES IN THE WORLD WAR. By General John J. Pershing. New York: Stokes, 1931, 2 vols., pp. 400, 436.

By Major-General Sir Frederick Maurice

THE tale of Memoirs of those who held high command in the Great War is approaching completion. I have read all which have so far been published — British, French, Italian, German, Austrian and Russian; of them all, General Pershing's appear to me to be the frankest.

Some two-thirds of General Pershing's book is concerned with the creation of the American Army in France, the remainder with its employment. That is natural, for General Pershing landed in France on June 13, 1917, and the first battle fought by an American army under his command began on September 12, 1918, with the attack on the Saint Mihiel salient. The work of creating the army was far longer, more arduous and more complicated than the work of leading it when created. It is clearly beyond the competence of an Englishman to express an opinion upon General Pershing's complaints of the delays and lack of vision of the authorities in the United States, but the opening sentence in his book is sufficient to justify much of the trenchant criticism which follows. He begins: "On May 13, 1917, four weeks after the United States had declared war on Germany, I received the following telegram from my father-in-law, the late Senator F. E. Warren in Washington: 'Wire me today how much you speak, read and write French.'" This was Pershing's first intimation that his employment in France was contemplated, and it was nearly a fortnight later that he was informed of his selection as commander-in-chief of the American Expeditionary Force. An army is maintained in order that it may be used in war, if the need arises; to be used, the army must have a commander-in-chief. Political considerations may make it advisable to keep the designation secret, even from the general chosen for command, but the choice should be made before the emergency arises, for when war comes it is clearly important that the chosen commander should be able to set about the selection of his staff and the consideration of plans at the earliest possible moment. Time, as Napoleon has taught us, is a prime consideration in war, and it is astonishing to find that six weeks after the declaration of war the Government of the United States had not nominated its commander-in-chief.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

I agree emphatically with General Pershing's statement that if the United States could have put 500,000 men in the field in the spring of 1917 the war would have been won in that year. I would go even further and say that if the United States could have put into the line in France, at that time, an army of three army corps, each of two divisions, equipped for modern war, victory would have been ours before the winter. We know now from German sources the state to which the German Army was reduced in the winter of 1916–1917 as the result of the battles of Verdun and the Somme, and there are many competent French critics who believe that if the delay caused by the removal of Joffre and his replacement by Nivelle had not occurred, and if the Germans thus had not been given time to organize their retreat to the Hindenburg line, victory might have been won on the Western Front even without American aid on land. Foch's summary of the situation at the end of the battle of the Somme runs: "The number of prisoners and the quantity of matériel captured from the Germans, as also the amount of territory reconquered, exceeded by far what had been seen up to that time. On the enemy's side, to the disappointment caused by the check at Verdun there was added the uneasiness aroused by the unexpected material strength which the Allies had just displayed and which was certain to increase. This anxiety had already been manifested several times in the communiqués issued by the German staff during the battle. Other indications were seen in the replacement of Falkenhayn at General Headquarters by Hindenburg and Ludendorff, as well as in the peace offers made at the end of 1916 and the retreat towards the Hindenburg position effected in the spring of 1917."[1]

General Mangin is even more definite. He says: "We may today assert that if the pressure of the Allied armies had been maintained during the winter (of 1916–1917) the situation in the spring of 1917 would have been the same as it was in July 1918, when our offensive began against an advance which had exhausted its force. . . . Final victory could have been won in 1917 by adopting, in the spring of that year, the methods employed in 1916."[2] While this is speculation, it adds force to Pershing's contention that the prompt introduction of even a comparatively small American Army in the spring of 1917 would have been decisive. His statement that if the United States had been able to

[1] "The Memoirs of Marshal Foch." New York: Doubleday, Doran, 1931, pp. 220–21.
[2] Joseph Mangin: "Comment finit la Guerre." Paris: Plon, 1920, p. 105.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

do this her rights would have been respected by Germany and she would not have been forced into the war is, I believe, equally true. Germany was confident that she could make her unrestricted U-boat warfare against British shipping decisive before an American Army could intervene on the Western Front, and as Mr. Churchill points out, the crowning blunder of German statesmen was their misunderstanding of the effect of American intervention. That misunderstanding would have been less likely if the United States was prepared to intervene on land at once.

If Great Britain had been able in August 1914 to place 250,000 men on the left of the French Army instead of the 100,000 which she sent to Mons, and had declared her intention of supporting France and Belgium if they were attacked by Germany, the World War would almost certainly not have taken place as and when it did take place, though it may be doubted whether in the existing state of Europe it could have been postponed indefinitely. These are matters on which those concerned with the grave and complex problems of the limitations of armaments will do well to ponder. While I believe it to be true that unrestricted competition in armaments is a cause of war, history tells us clearly that neglect to prepare for war has in the past been frequently a cause both of war itself and of its prolongation. It is the difficult task of the world's statesmen to try to arrive at a just balance between blatant aggressive militarism and the neglect of necessary precautions.

I trust it is not impertinent in an Englishman to say that in describing so clearly and graphically what the organization and training of a modern army entails, General Pershing has rendered a great service to his country. The American Army had the immense advantage of being able to carry out that organization and training behind the trench barrier which had been established long before its arrival; it suffered the disadvantage of having both processes constantly interrupted by a series of crises which had to be dealt with as they arose.

The fifth paragraph of the President's instructions to General Pershing, as conveyed to him by the Secretary of War, runs: "In the military operations against the Imperial German Government, you are directed to coöperate with the forces of the other countries employed against that enemy; but in so doing the underlying idea must be kept in view that the forces of the United States are a separate and distinct component of the com-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

bined forces, the identity of which must be preserved. This fundamental rule is subject to such minor exceptions in particular circumstances as your judgment may approve. The decision as to when your command, or any of its parts, is ready for action is confided to you, and you will exercise full discretion in determining the manner of coöperation. But, until the forces of the United States are in your judgment sufficiently strong to warrant operations as an independent command, it is understood that you will coöperate as a component of whatever army you may be assigned to by the French Government."

This instruction clearly imposed upon Pershing the duty of creating an American Army as soon as possible, and to that task he set himself with rare determination and courage. But the frankness with which he has written demands that he should be treated with equal frankness, and he certainly shows in his treatment of this problem of the creation of an American Army a suspicion of the aims of his Allies which I believe to be entirely unwarranted. I cannot, of course, speak with the same knowledge of what was behind the French proposals as I can regarding the British, but I believe the French military leaders to have been just as sincere as we were. Of the British objects I had some inside knowledge, for until the spring of 1918 I was closely concerned with them, and, as General Pershing says, I signed with him and Mr. Lloyd George the agreement, reached at Versailles on January 30, 1918, which first regulated the use of British shipping for the transport of American troops and their training with the British Army.

If the situation of the Allies on the Western Front had appeared to be favorable at the time of the entry of the United States into the war, it had changed lamentably for the worse by the time of General Pershing's arrival in France in the middle of June. General Nivelle's campaign had failed disastrously; he had held out extravagant hopes of success, and the reaction in the French Army and amongst the French people was correspondingly severe. The series of mutinies which followed rendered the French Army incapable of action for several months, and the British Army had to shoulder the burden of keeping the enemy occupied while Pétain was engaged in the task, which he accomplished successfully, of restoring the morale of his troops. The crisis became the graver as it became daily more and more certain that Russia was going out of the war. General Pershing appears hardly

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to have appreciated the causes of the gravity of the situation, perhaps because the French were rightly at great pains to conceal the true state of their army at the time. Concerning this period Pershing says: "It is probable that if the French and British army commanders, in a friendly spirit of coöperation, had made a joint study of the military problem on the Western Front as a whole and then had seriously undertaken to pull together, the Supreme War Council might never have been born. And yet when one analyzed it, coöperation between the armies presented many difficulties with two peoples of such different points of view. For example, as we have seen, the offensive in the spring of 1917, which was under French leadership, received only half-hearted approval of the British. Then later, the British carried on their offensives during most of the summer, but the French conducted only two limited attacks. So they apparently made plans independently, and any advantage gained was purely local, with little material effect upon the final outcome."[3]

Now, in fact, from the earliest days of trench warfare the situation on the Western Front had been reviewed as a whole by the French and British commanders-in-chief, and, with the single exception of the comparatively small battle of Neuve Chapelle on March 1915, the British had not fought a single battle except as planned by the French commander-in-chief. It is true that Haig did not agree with the optimistic forecast of Nivelle, but that did not prevent the British Army from doing all and more than all Nivelle had asked of it in capturing the Vimy Ridge and in the battle of Arras of April and May 1917. It is certainly strange that the readiness of the British to take up the fighting in the summer and autumn of 1917, at the earnest request of Pétain, in order to give the French time to recover from the mutinies, should be cited as an example of lack of coöperation. There was no difficulty in coördinating plans on the part of the Allies on the Western Front while they possessed the initiative and could choose their own time and place for attack. It was when the initiative passed to the Germans, and the Allies, owing to Russia's collapse, were thrown on the defensive, that one supreme authority became essential. For then each commander-in-chief naturally enough expected the main effort to be made against himself, and some one superior to both was needed to coördinate the defense.

[3] Pershing, Vol. I, p. 217.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The situation in the winter of 1917–18, then, was that British man-power was low, as a result of six months of isolated effort to keep the Germans engaged; and in default of men to fill the ranks it became necessary to reduce the number of infantry battalions in each British division from 12 to 9. French man-power was also low, as the result of France's prolonged struggle while British military power was being developed. Owing to the defeat of the Italian army at Caporetto in October 1917, France and Great Britain had each sent five divisions from the Western Front to Italy. On the other side of the line, the Germans were bringing divisions from the Eastern Front to the West as fast as trains could convey them. Such was the situation. Is it surprising that in the circumstances we looked to the promptest possible American aid?

In considering how that aid could be most promptly given we naturally remembered that Canada, with a tithe of the resources of the United States, had placed a division in line within six months of the outbreak of war and an army corps in little over a year, while we ourselves had raised and placed in the field, within the year, eleven new divisions for which no nucleus of any kind had existed in time of peace. It was therefore disappointing to find that nine months after the entry of the United States into the war there was not one American division in the line; nor was there any prospect of more than three American divisions going into quiet parts of the front before the expected German attack took place. We therefore proposed, in order to meet the emergency of the German attack, expected in February or March, that the United States should send over in British shipping 150 battalions of infantry for temporary service with the British brigades. The reason for this proposal was that there seemed no prospect of having more American divisions ready by the spring, while American infantry battalions could reach the front in time. We all recognized that this was a temporary expedient and was very far from being an ideal arrangement. Of course, as General Pershing says, all troops fight better under their own flag and there were obvious risks in such an experiment. But it was not the first time it had been used in an emergency. General Pershing was evidently not aware of this fact when he wrote: "There was no instance during the World War that I know of when small units such as battalions and companies of one nation served in the armies of another."[4] In the early part of the war I was the senior General

[4] Pershing, Vol. II, p. 27.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Staff officer of our 3rd division and during the crisis of the autumn of 1914, when the Germans were making their great attempt to break through to the Channel ports, I know that French, British and Belgian units were, in emergencies, freely intermingled. In October 1914, when our 3rd division was hard pressed by the German 7th corps, near Neuve Chapelle, we had attached to us, as reinforcements under the orders of the divisional commander, seven batteries of French artillery, a battalion of French chasseurs, and a battalion of French cyclists; in the following month during the first battle of Ypres we had similarly attached to us a battalion of French zouaves and two regiments of French cavalry. The experiences of the 3rd division were certainly not unique in this respect. The difficulties of coöperation with French troops in this manner were considerable and both the French and ourselves were glad when the need for it had passed. None the less their services to us were invaluable, and we all hoped that the fact that we had a common language would make coöperation with American troops easier and even more valuable. When Sir William Robertson put this proposal to bring over American infantry in British bottoms to General Pershing on January 9, 1918, there were in France four American divisions and part of a fifth, of which one, after training with the French, was about to take over a sector of the front north of Toul, and General Pershing told General Robertson at that interview that "no one in the world could even guess" when more American divisions would arrive.[5] We were looking for help in March.

In these circumstances, General Pershing's comment on his interview with Sir William Robertson is really not worthy of him. He says: "The arguments General Robertson advanced clearly indicated that the British were playing for advantage for themselves in offering to transport our troops. In other words, they had the shipping to transport American battalions on condition that they would serve in the British armies. Their purpose was to build up their own units instead of aiding the cause in general by augmenting the number of complete combat divisions on the Western Front."[6] We wanted to win the war as quickly as possible, and the proposal which we made to General Pershing seemed to us at the time the best expedient for that end. We certainly

[5] Sir William Robertson: "Soldiers and Statesmen, 1914–1918." New York: Scribner, 2 vols., 1926. Vol. I, p. 327.
[6] Pershing, Vol. I, pp. 288–89.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

had not, as General Pershing suggests that we had, any Machiavellian scheme to prevent the creation of an American Army so that the influence of the United States would be diminished at the peace conference. In fact, we all realized that regardless of the part the American Army played in France the influence of the United States would be dominant. I happened to be at a meeting of the British War Cabinet just after the news of the declaration of war by the United States on Germany had come in, and I well remember how our Chancellor of the Exchequer, Mr. Bonar Law, said that this had saved the situation, because we could not have gone on for more than a couple of months longer acting as bankers for the Allies. The vast resources of the United States made their influence supreme apart altogether from military action. There are fools in every country and in every army, and there probably was some loose talk by irresponsible persons about the desirability of getting control of American troops, but I refuse to believe that any responsible British soldier or statesman deliberately set about preventing or delaying the creation of an American Army from political motives.

Foch puts the French side of the case clearly when he says: "On July 10 (1918) he (Pershing) came to see me with a request to expedite as much as possible the formation into army corps of American divisions then in the French zone; he also asked me to furnish artillery for those divisions which had none, drawing it, if need be, from French units. I was emphatic on this occasion in once more assuring General Pershing that no one desired more fervently than myself the constitution of American corps and armies, and sectors in which American troops would fight an American battle, and that my best efforts were being directed to this end. I was, indeed, firmly convinced that the soldiers of any country only give of their best when fighting under their own leaders and under their own colors. National self-esteem is then engaged. General Pershing's experience and character, moreover, were a guarantee that, whenever he might engage American troops, he would only halt after success had been achieved. Unfortunately, the lack of guns still prevented the furnishing of artillery to all the American divisions or army corps which it might have been possible to form. However, the object of the Entente was to obtain an indispensable superiority in numbers, and it would scarcely have accorded with its interests to deprive French units of their artillery for the benefit of the American divisions.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

On the contrary, the American divisions which had no artillery would be very advantageously used to relieve French divisions in quiet sectors, and so make the latter available for battle."[7]

General Pershing suggests that we suddenly found shipping to be available when it was in our interest to let him have it, but that we had withheld it when it might have been used to bring over complete American divisions. He forgets that during the spring and summer of 1917 the ravages of the German U-boats were at their height. The losses of our shipping were colossal, and there was a very real danger at that time that Germany would achieve her object and compel us to make peace before the resources of the United States could be developed. These losses reached their peak just at the time of the entry of the United States into the war. In the month of April 1917 there were sunk 881,000 tons of British and Allied shipping. The losses to British tonnage due to enemy action in the third quarter of 1917 amounted to 952,938 tons, in the fourth quarter they had dropped to 782,889 tons, and in the first quarter of 1918 to 697,668 tons. In the first half of 1917 British merchant vessels to the number of 89 had been sunk or seriously damaged by mines, in the second half the number had fallen to 48, and in the first half of 1918 to 15.[8] In the late autumn of 1917 we began, with American naval help, to get control of the U-boat menace and to sweep up the German mine fields. Towards the end of November I first learnt from our Shipping Controller that the situation was so far eased that we could take some risks as regards the supplies of food and raw material, and have more tonnage for the movements of troops. On November 27, 1917, I drafted a memorandum for Sir William Robertson which began, "I learn from the Shipping Controller that the shipping crisis is less acute." And from that statement I went on to outline the proposal for bringing over American battalions which he put to General Pershing. We could not have given the United States tonnage until we knew that we were on the way to master the U-boats, the greater part of our food supplies being sea-borne; and, as it was, our people had to make very real sacrifices to make shipping available. There are today in our midst thousands of mothers who could tell General Pershing that the health of their children has been permanently affected by the fact that they were brought up on margarine and war bread.

[7] Foch, pp. 345–46.
[8] The War Cabinet. Report for the year 1918, pp. 424–48.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

I was not one of those who believed that the association of American and British troops in the manner proposed would tend to foster the all-important ties of friendship between our countries, though there were many high authorities in England who thought it would have that very desirable result, and there was certainly a considerable competition between them and the corresponding authorities in France to get American sympathy. Remembering our experiences of the intermingling of British and French troops, I regarded the proposal merely as a necessary military expedient. When men of different nations are brought together compulsorily they necessarily meet habits and conditions and manners of thought other than those to which they have been brought up, and with the best of good will this tends to produce friction. A little incident which occurred while our negotiations with General Pershing were in progress confirmed me in this view. In a visit to a part of our front I heard that a friend had been wounded and was in a field hospital. I went to see him and in the hospital I heard that an American soldier, who had been with a party of American officers on a visit to our lines, had also been wounded. I went to his bedside, and after inquiring whether he was comfortable and whether I could do anything for him, I said: "Well, how did you get on with the British?" No Hollywood star has ever registered contempt more satisfactorily as he replied: "The British! Why them suckers drink tea!"

Eventually, after prolonged discussion, it was agreed with General Pershing at Versailles on January 30, 1918, that British shipping should be used to bring over complete American divisions and that the infantry of these divisions was to be trained with our army on the understanding that it would be released, when trained, to rejoin the American divisions. Unfortunately for us, though fortunately for the American infantry, none arrived in time to go into the line before the great German attack of March 1918. The losses in that attack created another manpower crisis, and again pressure was put on General Pershing, and again he resisted, but on the unanimous recommendation of the Military Representatives of the Supreme War Council, who of course included General Bliss, it was decided on March 27, 1918, that British shipping should be used to bring over the largest possible number of American infantry and machine-gunners. This still further delayed the completion of the American Army. I may say that throughout these negotiations we were at pains to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

consult authoritative American opinion, and we found that Generals Bliss and Leonard Wood and Colonel House considered our proposals reasonable in the special circumstances. General Bliss, who had supported the first proposal to bring over 150 battalions, had yielded to General Pershing's insistence; but in March he agreed with the other military representatives. Colonel House wrote to the President at the end of March: "Pershing's feeling that an American Army under his command should be established and made as formidable as possible is understandable. Nevertheless the thing to be done now is to stop the Germans and to stop them it is evident that we must put in every man that is available."[9] That represented our own view throughout the controversy.

I wish to state our case as frankly as General Pershing has stated his, and he certainly had one argument which he does not mention in his book, but I have a clear recollection of his using it in his discussion with Sir William Robertson. He said in effect: "If you are so anxious as to the safety of the Western Front, why are you planning an offensive campaign in Palestine?" That campaign was planned on the instruction of our Prime Minister, Mr. Lloyd George, against the advice of the British General Staff, because he felt that some offset was required to a prolonged period of defensive warfare on the Western Front, and that a success in Palestine would encourage the British public. In the event, the German attack in France took place before that in Palestine could be begun, and offensive operations in the latter theater were postponed till autumn. After the German attack we brought home from the east two complete divisions, twenty-four other battalions, and five heavy batteries, and these might have been in France before instead of after the German attack.

When Foch was appointed at Doullens to coördinate Allied strategy, Pershing at once placed all the American troops in France at his disposal, and the 1st division went into the line in Picardy, to distinguish itself in the capture of Cantigny on May 27, 1918. A few days later the 2nd and 3rd divisions were called up to save the situation at Château-Thierry, and they put a stop to the third great German offensive of that year. On July 18 and on the following days the 1st, 2nd, 3rd, 4th, 26th, and 28th divisions took a notable part in the second battle of the Marne, which began the Allied march to victory. But these calls for

[9] "The Intimate Papers of Colonel House." Boston: Houghton, Mifflin, 4 vols., 1926–28. Vol. III, p. 444.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

American divisions and the expedient of sending over American infantry without its artillery and auxiliary troops postponed once more the creation of an American Army.

Soon after his arrival in France General Pershing had selected what was clearly the right front strategically for the American Army when created, and had chosen the reduction of the Saint Mihiel salient as the object of its first enterprise, but it was not until September 12 that the 1st American Army was able to attack as such under his personal direction, when, with the assistance of four French divisions, it triumphantly accomplished its task.

As late as the beginning of August, when the concentration for the battle of Saint Mihiel was begun, four American divisions were in the line attached to British armies and nine in the line attached to French armies, and no one wanted to part with them. All this made the organization of an American Army more difficult, and by the time it was actually formed the successes gained by the British and French Armies had caused Foch to envisage an early victory, provided a combined general advance could be made against the line of the Maubeuge-Mézières-Sedan railway, which was the backbone of the German system of communications. Foch therefore proposed on September 2 that between September 20 and 25 the American army should begin an attack west of the Meuse directed on Sedan in the greatest possible strength, and that the Saint Mihiel operation should be abandoned if it were likely to delay the inception of the Meuse-Argonne battle.[10] General Pershing considered that if the Saint Mihiel operation were limited in scope he could still undertake to begin the Meuse-Argonne battle in time, and so it was agreed. The transfer of troops from the Saint Mihiel salient to the Meuse-Argonne front was, as General Pershing says with just pride, admirably carried out, and the American attack was launched on September 26. But the time left for its preparation was very limited. It was soon in difficulties, which General Pershing deals with somewhat lightly. Of the situation on September 29 Foch says: "The American Army, squeezed into the narrow corridor between the Meuse and the Argonne, opposed by a resistance which was all the stronger because favored by difficult, broken country, and hampered in its advance by flanking fire both from the Argonne and from the east bank of the Meuse,

[10] Foch, pp. 399–401.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

continued to mark time. It tried to overcome these difficulties by increasing its forces in the front line; but this only intensified these difficulties, and resulted in a complete blocking of its rear and the bottling up of its communications." This experience was relatively no worse than had been our own in the battle of Loos of September 1915, or in the French attacks in Champagne in that year. The problem of organizing the rear of a battle-front in trench warfare was terribly difficult, but we and the French had learned something by bitter experience, and Foch wished to put that experience at Pershing's disposal. On October 3 he sent Weygand to him to suggest the transfer of some American divisions from the congested front, partly to the east of the Meuse, partly to the west of the Argonne. General Pershing seems to have seen in this another attempt to disrupt the American Army, and he resisted it stoutly. He attributes the suggestion to M. Clemenceau. The French Prime Minister had visited the American front on September 29 and was apparently not very favorably impressed with what he saw, but we now know from Foch's memoirs that it was not until October 21, eighteen days after Weygand had put Foch's proposal to Pershing, that Clemenceau intervened, when he proposed that Foch should call for Pershing's removal. Foch ignored this request, which he suggests was made in ignorance of "the difficulties encountered by commanders in handling the masses of modern armies." It might well have been that Foch's proposal would have led to speedier results with less loss of American lives, and it would have been more generous of Pershing to have seen that the proposal was made with that object and not as part of an intricate scheme to destroy the American Army. In the event, that army won through and was the first to reach the German spinal cord.

On November 11 General Pershing could claim that throughout his tenure of command no American troops had met with a reverse, that they had saved the situation in June 1918, taken a distinguished part in the victory of July, and that the American Army had made a decisive contribution to the final effort of the Allies. This is a notable record, but it is not made more notable by attributing unworthy motives and selfish scheming to those who had the honor of fighting alongside the soldiers of the United States.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE DISARMAMENT PUZZLE

By Allen Welsh Dulles

ON January 23 of this year the Council of the League of Nations announced its decision to issue a call for a world conference on disarmament to meet in February 1932.

International conferences are not an unmixed blessing. Often they are inevitable, as at the close of wars; but unless inevitable they should be called only when the ground-work has been so carefully prepared that there is reasonable expectation of successful results. The Locarno negotiations are a good example of the manner in which an international conference should be prepared and staged. There the real work was done without ostentation or publicity before the delegates assembled, and the conference met merely to ratify and focus the attention of the world upon achieved results. The Washington Naval Conference is almost unique in having achieved striking results without previous agreement in principle; and this success was due in part to the fact that the United States was prepared to give up more than it was asking other Powers to concede.

An open debate between the representatives of fifty or more nations regarding their military and naval needs and ambitions and the closely related question of national security presents obvious dangers. At no time is popular feeling more difficult to control than when the subject of national defense is raised. Much as the various delegates at the conference may insist that their estimates of their country's military and naval needs are not predicated upon the fear of aggression from any particular Power, the world at large will not need to do much guessing before deciding exactly which other countries each has in mind in insisting on a certain scale of armament.

The difficulties and dangers connected with a general disarmament conference are fully known. It was probably well appreciated, therefore, that in risking a general conference under League auspices the very future of the League itself was being placed in jeopardy. Probably the members of the League Council who assumed the responsibility for calling the conference felt that they had no other alternative, the issue having been postponed as long as could well be done without admitting failure.

The Covenant pledges the League to work for the progressive

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

reduction of armaments, and in accordance with that pledge the League set itself to the task immediately upon its creation and has kept at it ever since. Following preliminary studies, it formed in 1926 a commission to prepare for an international conference. This commission has worked for five years, has submitted an elaborate report and the skeleton of a convention, and has disbanded. Under present conditions it is probable that the technical preparation for the conference could not have been carried further. But the political preparation so essential to the success of the conference has hardly begun.

It is reasonably safe to assume that if the private judgment of many of the members of the Preparatory Disarmament Commission could now be asked, they would favor the tabling of their report until France, Germany, Italy and Great Britain have made further progress toward the solution — if solution there be — of the main problems of armament and security which vitally interest them; but circumstances forced a decision, and it is now too late to debate whether or not it was wise to take the step of fixing a date for the general conference. It may not yet be too late, however, for the Powers to determine whether they will be ready by next February to reach constructive decisions; and if not to defer the date of meeting.

Expressions of pious wishes inserted in legal documents, whether treaties or business contracts, generally come back to plague their authors. The attempt may be made to disregard such expressions by arguing that they have no binding force, but this is hardly enough to satisfy those for whose benefit they were given or even the conscientious person who is trying to get at the real intent of the contracting parties.

When the Allies at Versailles were endeavoring to induce the Germans to accept highly unpalatable provisions respecting their military and naval establishments, they prefaced this section of the Conditions of Peace and later the Peace Treaty articles with the statement:

> In order to render possible the initiation of a general limitation of armaments of all nations, Germany undertakes strictly to observe the military, naval and air clauses which follow.

In the reply to the German comments on the Conditions of Peace, the Allies gave certain explanations of what they meant by the above quoted sentence, and by the terms which they were

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

imposing with respect to Germany's military and naval forces. They wrote:

> The Allied and Associated Powers wish to make it clear that their requirements in regard to German armaments were not made solely with the object of rendering it impossible for Germany to resume her policy of military aggression. They are also the first steps towards that general reduction and limitation of armaments which they seek to bring about as one of the most fruitful preventives of war, and which it will be one of the first duties of the League of Nations to promote.
>
> They must point out, however, that the colossal growth in armaments of the last few decades was forced upon the nations of Europe by Germany. As Germany increased her power, her neighbors had to follow suit unless they were to become impotent to resist German dictation or the German sword. It is therefore right, as it is necessary, that the process of limitation of armaments should begin with the nation which has been responsible for their expansion. It is not until the aggressor has led the way that the attacked can safely afford to follow suit.

Each year that has passed since 1920, when the Treaty was ratified and went into effect, has seen Germany reminding the Powers with ever increasing emphasis that she was expecting action to give effect to these promises. More recently her reminders have been coupled with the intimation that unless action were taken Germany would consider that she has been relieved from the Treaty restrictions over her military and naval establishments. Probably Germany's most pointed statement in this connection was contained in Chancellor Müller's address at the Assembly of the League of Nations in September, 1928, where he stated:

> The disarmament of Germany cannot possibly continue to be a unilateral act, the outcome solely of the power wielded by the victors in the World War. The promise that Germany's disarmament would be followed by general disarmament must be fulfilled, and, finally, the article of the Covenant which incorporates that promise as a basic principle of the League of Nations must be carried into effect.

Even if the Versailles Treaty had contained no suggestions of a general reduction of armaments, the issue would inevitably have come to a head sooner or later. Now it must be faced in a very few months, and with the principal European Powers far from agreement. Will the six months before the conference assembles be allowed to pass in the Micawber-like hope that something will turn up to permit the conference itself to solve this question? What will Germany do if the conference ends by leaving the present situation unchanged?

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It is beyond the scope of this article to deal with the European political phases of the problem. Doubtless the European capitals realize that between now and next February it is vital to reach some preliminary agreement between the Powers chiefly interested, and that if such preliminary agreement is not reached the success of the conference is doubtful, to say the least. The United States will probably have little to do with such conversations, as they will revolve chiefly about the question of European security. But even apart from the legitimate American interest in the general issue, growing out of its bearing upon the maintenance of peace in Europe, there are certain important questions of immediate concern to the United States which may be debated at the conference and which therefore call for early consideration.

The United States was farsighted enough to press for an early solution of naval questions as a separate and distinct phase of the disarmament problem. Hence, this country is in the fortunate position of approaching the conference with few outstanding naval questions of vital importance, apart from questions affecting aviation, which are not regulated by treaties to which it is a party.

Washington's anxiety to settle naval problems, as shown by its initiative in connection with the Washington, Geneva and London conferences, may be due in part to the fact that few issues have more general popular appeal than that of the limitation of armaments. As a result, each succeeding Administration since the war has endeavored to show some concrete achievements in this direction. But the influence which has been exerted from Washington to effect an early settlement of naval problems has probably been due in no small measure to the reluctance to see these problems discussed at a general conference under League auspices. This reluctance has not been caused by any unfriendliness toward the League, but rather because the League setting was not considered particularly propitious for naval discussion, as it inevitably permitted a large number of Powers, only a small percentage of whom had a vital interest in navies, to have a disproportionate voice in naval discussions. This does not mean that there is any lack of respect for the opinions of Belgium, Czechoslovakia, Hungary and a score of other countries whose direct interest in navies is limited, but merely that there seems no good reason why they should be consulted in deciding strictly naval

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

matters of interest to the five principal naval Powers. Hence the Washington Naval Conference and the London Conference of last year were limited to a small number of Powers. These conferences have resulted in treaties, ratified and in effect, which cover every type of combat vessel as far as the United States is concerned. Great Britain and Japan are equally bound. France and Italy are bound by treaties only as regards battleships and aircraft carriers, and with respect to certain qualitative limitations for other vessels — that is, limitations which concern the maximum size of types and of guns, and the like. In this situation it would be proper for the United States to take the position at the general conference that formal treaties of recent date have fixed its naval schedules; that these treaties have as yet several years to run; and that they provide for further conferences upon their termination. It might assert, further, that these treaties are based on the same principles of reduction and limitation which the conference had been called to apply. It would be logical to argue from this basis that instead of endeavoring to revise accomplished achievements, thus possibly threatening the whole scheme of naval limitations, the conference should devote its attention, first, to the question of land armaments, where little or no progress has yet been made, and second, to inducing other naval Powers not party to the Washington and London treaties to enter into corresponding engagements which would insure the Powers who were parties to these treaties that the naval building by other Powers would not threaten established limitations of the five Powers.

Such a decision would make the United States little more than an interested on-looker at the conference — interested because we are in sympathy with any steps which would help maintain peace in Europe, but not immediately concerned with the manner in which the particular problems are met. It is hardly necessary to add that unless the conference should endeavor to limit land armaments by some arbitrary method of budgetary reductions its decisions could have little effect upon our modest land forces.

The United States may possibly be such an interested on-looker if two phases of the naval armament problem are settled between now and February, and hence are not injected into the conference.

France and Italy are not parties to the limitation schedules of the London Treaty. Article 21 of this Treaty (inserted to pro-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tect the British position vis-à-vis France and Italy against possible future building programs of those countries) provides in substance that if the requirements of national security of any of the three Powers party to the Treaty, that is the United States, Great Britain or Japan, are materially affected by new construction by any other Power, the Power so affected may proceed under certain conditions to increase its naval tonnage beyond that specified in the Treaty. Hence if the pending Franco-Italian negotiations are unsuccessful, and if the general conference terminates without definitely fixing limits to the building programs of France and Italy in auxiliary craft, the whole structure of the London Naval Treaty might be in danger. The schedules necessary to give effect to the tentative agreement reached at Rome between France and Italy have not yet been drafted, apparently because of the failure to agree as to the replacement tonnage which France may lay down between 1934 and 1936 for completion after 1936. Meanwhile, political developments in Europe, particularly the proposed German-Austrian customs union, have created an atmosphere which makes France unwilling to yield on naval questions when in her opinion a situation has arisen affecting the general question of national security. Hence she maintains her reservations with regard to the Rome naval memorandum as a basis for negotiating other settlements. It should not take much ingenuity to solve the technical question of replacement tonnage as an isolated problem, but if agreement is to be reached there must be a real desire for it.

Possibly the most authoritative recent statement of France's position is that given by President Doumergue as one of his last acts in office. In what the London *Times* of April 10 describes as a considered statement on French policy in respect of the League, the projected German-Austrian customs union (referred to in the text as a "sudden and disconcerting event"), and the question of disarmament, he is quoted as having stated:

> France had suffered too much from the war not to appreciate peace at its full value, but her own history had taught her only too well that there could be no lasting peace unless the security of her frontiers was fully assured. She was, therefore, obliged to remember that so long as the League of Nations had not at its disposal a military force strong enough to impose its decisions upon recalcitrants, she must be on her guard and to a great extent rely upon herself. France had the greater right to think thus, since she had just been confronted with a sudden and disconcerting event, the present importance

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and further consequence of which must not be underestimated, because the history of the country where it happened offered a precedent fraught with a lesson it would be dangerous to forget. A country like France, which knew by bitter experience to what painful and sudden events it might be exposed, had no right in the absence of a strong organized international force to allow its own material strength to be reduced below the level dictated by its need for security and the integrity of its home and oversea territory, for which the present generation was answerable to those of the future.

As the difficulties which brought about the Franco-Italian naval impasse are peculiarly European in character there is little that the United States can now do to help in the situation. But there is no doubt that we are deeply interested in coming to the general conference with final treaty understandings having been reached between the five principal naval Powers. Should this be achieved, the conference (as far as naval matters are concerned) could devote its attention to working out an understanding between other naval Powers so as to obviate the danger that building by such other Powers, whether in numbers or in new types of vessels, could disturb the limits fixed under the Washington and London Treaties.

There is, however, some reason to believe that even should France and Italy reach an agreement, several of the naval Powers will try to insist that the conference should consider a revision of existing naval treaties.

If the conference, as is almost inevitable, encounters serious obstacles in making any real progress in dealing with land armaments, there will be a natural tendency to avoid criticism for failure by working out some further reduction in the field of naval armaments, to which the conference may point as a definite achievement. In this field methods of limitation have been settled, and it is only a question of supplying new numerical coefficients to total tonnages or size of types of guns. Hence it may turn out that a reconsideration of the maximum size of battleships will offer an alluring method of drawing attention away from the well-nigh insoluble problems of the limitation of land armaments. The British Government has at various times urged the consideration of this question, notably at Geneva in 1927, and more recently in the Rome memorandum it formally committed itself to support a reduction in the size of battleships. The French and Italians are tentatively committed to build a type of battleship of about 23,000 tons, that is 12,000 tons smaller than that sanctioned in the Washington Treaty. Japan's position is not so clear, but it is

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

unlikely that she would seriously oppose such a reduction. This would mean a considerable financial saving when the time comes to consider the replacement of battleship tonnage, assuming of course that the number of battleships remains constant.

Suggestions from British and other quarters that the maximum size of battleships provided for under the Washington Treaty should be reduced have generally met with opposition from American sources. As the English naval critic, Hector Bywater, pointed out recently in an interesting article,[1] the question has considerable background. At the time of the Washington Conference the British Government had laid down two battle cruisers which were to be of 47,000 tons each, namely, the *Rodney* and the *Nelson*. These were later cut down to fit within the 35,000 tons limitation established at Washington. The British Admiralty had further designed battleships exceeding 50,000 tons. The American and Japanese Navies, under plans of an earlier date, were preparing to lay down vessels of 43,000 tons. The vast expense involved in building such vessels, coupled with the fact that as each nation built a newer and larger type the older vessels became obsolete, was tending to create an intolerable situation. The Washington Conference corrected this by fixing 35,000 tons as a limit. We may assume this maximum size was fixed upon by the naval experts of that day as permitting the combination of the various elements which go to make up what we now popularly call a battleship. While there is nothing sacred in the figure of 35,000 tons it is likely that under present conditions American naval experts will continue to resist any great reduction from it, on the theory that a reduction would mean the sacrifice of certain of the important elements which they desire to maintain. These elements include protection, speed, cruising radius, and means of defense against aircraft and submarines.

Apart from the question of our defense of the Philippines, or of naval operations in the Pacific far from our own shores, other naval Powers in sacrificing certain of these elements would seem to be accepting the same handicaps as the United States. If, however, our fleet should ever be called upon to operate in those distant waters, a reduction in size of the ships would quite obviously prove to be a handicap to us as compared with other Powers with more naval bases.

From the practical point of view there is little reason why the

[1] *New York Times*, April 13, 1931.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

question of the size of battleships should be agitated at the present time or even at the general conference. Under the London Treaty, the United States, Great Britain and Japan can none of them lay down any new battleships until 1936, and definite provision has been made for the consideration of this and other related questions in 1935. No one can predict what technical developments in aviation and other branches of naval strategy may occur in the next few years, some of which may well affect the decision as to the size of battleships. It seems reasonably prudent, then, to delay settling the question until the decision would have some practical effect and could be made in the light of conditions existing at the time new ships are to be laid down. If France and Italy felt forced to build battleships of 35,000 tons because other naval Powers have ships of such size, there might be some real reason for taking up the question limiting battleship size now, but it is hard to see how any effective argument can be made on this point. France and Italy have never taken advantage of the privilege which they had under the Washington Treaty to build battleships, and have allowed ten years to pass without any such building. According to the Rome memorandum, they have now tentatively agreed that whatever battleships they may build during the next few years will not greatly exceed 23,000 tons. While the British promise given at Rome that they would favor the reduction in the maximum battleship size as fixed at Washington may have had some influence upon this decision, it seems unlikely that France and Italy would in any event have built a larger type of ship. Very possibly if it had not been for the construction by Germany of ships of the *Ersatz Preussen* type, which are more powerful than existing French cruisers, the question of the construction of battleships by France and Italy might not have arisen. Hence, unless the general conference is hard put to it to show some results in the reduction of armaments, and turns to battleships as the last resort, the American position that this question should be deferred until 1935 must have the support of those who prefer to deal now with the more immediately pressing questions.

In the field of disarmament, as in most fields of human endeavor, it is important to take as a guide such successful precedents as we may have. There are several failures to record, notably the two Hague Conferences of 1899 and 1907, which though

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

they show many useful accomplishments did not succeed in limiting armaments or in stopping the race in armaments which culminated in 1914. It is only in the field of naval armament that any real progress has been made, notably at the Washington and London Conferences. The successive steps which have been taken toward naval limitation have been rendered possible by the following circumstances:

(1) Certain fundamental principles of a political nature were accepted as the basis for technical agreement. Thus almost at the outset of the naval discussions in 1921–1922 England and the United States agreed on the principle of parity, and Japan, with certain qualifications as applied to auxiliary vessels, accepted a 5/3 ratio. France and Italy each recognized England's right to a navy substantially superior to either of theirs.

(2) Measures of limitation were applied to tangible objects, that is, vessels and guns, and the element of man-power was eliminated from calculation.

(3) No international supervision or control is required to insure the rigid application of measures of limitation. Steps taken to scrap existing tonnage or to restrict the size of new construction are matters of public knowledge and may be easily verified by all the parties to a treaty of naval limitation.

(4) Despite what propagandists may say, neither the United States, Great Britain nor Japan is alarmed at the naval programs of the others, and as far as France and Italy are concerned, fear of an attack at sea is secondary to other and more immediate causes of apprehension since the primary defense of both countries is on land.

Unfortunately, the conditions surrounding any attempt to limit land armaments are very different. There is no agreement as to the basic principles on which a program of limitation is to be based. For example, is France by treaty to have her land forces, however evaluated, stabilized on a basis of x times Germany's land armaments and y percent more than that of Italy? General agreement on any such basis is hardly conceivable today, but it is equally inconceivable that France should consent to any reduction or limitation of her land armament which did not insure to her military superiority over Germany. While progress has been made by the Preparatory Disarmament Commission in suggesting technical methods of limitation, there is no real agreement as to which of the various methods should be applied or how they

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

should be enforced. There has been discussion of budgetary limitation, limitation of materials of war, limitation of the number of trained men under arms at any given time, and of other methods. It is generally agreed that a limitation which did not restrict the trained and equipped force with the colors in time of peace would not be particularly efficacious, but no agreement is yet in sight as to the form of such limitation. Further, there is a strong feeling in certain European circles that the effective limitation of land forces presupposes some form of international control, so that there shall be no secret violations; many States are equally emphatic in the refusal to consider any such form of international control. Finally, rightly or wrongly, the fear of many European Powers of possible future aggression from their neighbors is, despite the League of Nations, the Locarno Treaties, and the Briand-Kellogg Pact, real and persistent. And each state which feels itself so menaced makes a maximum of military security its first consideration in the shaping of foreign policy.

Despite the real accomplishments of the Preparatory Commission — and its work certainly merits the approval of all who are interested in the solution of the disarmament puzzle — the general conference will start almost from scratch in dealing with the major problems on which any real limitation of land armament must depend.

Through the centuries such peace as the world has known has generally been produced and preserved in one of two ways. In the days of Greece and Rome it was maintained by the supreme military control of one state over vast areas; hence what we call the *pax Romana*. In more modern times, when the number of independent and powerful states multiplied, the supremacy of one state gave way to the system of the balance of power; the rival forces were so nearly equal that neither side dared to risk an attack on the other. As an outcome of the World War one Power, with its allies, disposes of land forces so overwhelmingly larger than those of its neighbors that its military position cannot be threatened. Thus we see in Central Europe, which holds the key to world peace, *la paix Française*, though with the military supremacy of France and her allies tempered and restrained by the influence of the League of Nations, Locarno and the Briand-Kellogg Pact. We might even say that England's traditional "two

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

power" naval standard has been adapted by France, without specific definition or declaration, to her continental military needs.

By insisting that a general Disarmament Conference be called, Germany is in effect making a plea for a change in this situation. Stripped of its technicalities, a discussion of the limitation of land forces and materials of war, or of the limitation of budgetary expense for military establishments, will be in effect a passing of judgment upon the question of the extent to which France should be permitted to retain her military ascendency in Central Europe.

There is little reason to believe that France would now consent to any material reduction in her land forces, or to any increase in Germany's military forces as limited under the Versailles Treaty, which would tend to change in any substantial degree the relative situation of the two countries. There is as little reason to believe that Germany would enter into any further treaty commitments which would tend to perpetuate the present military situation as between herself and France. This is the fundamental dilemma which the February conference faces, disguised as it may be and complicated as it surely is by the individual problems and policies of a score of other states (and in particular by the claims of Italy).

In this situation it would be unfortunate if we built too many hopes on the possibility that miracles can be wrought. Basic political situations do not change overnight. It will be a real accomplishment if some agreement can be reached upon methods of limitation, or if the military forces of certain of the European Powers can be stabilized at or slightly below present levels, thus removing the armament question for a time at least from the arena of public debate. Given the great military supremacy of the late Allied Powers, some reduction would not change the present balance — or rather, lack of balance — between them and their late opponents. But if nothing more is achieved than stabilization near present levels, with some agreement as to methods of limitation, there is always the hope for an improvement in political conditions — possibly through the pressure of industrial and economic movements — which would permit a gradual reduction over a period of years. The progress made in naval matters shows that once stabilization has been achieved, reduction tends to follow. And the imperative necessity for further economy in governmental expenditure will be a powerful incentive to many states voluntarily to apply principles of reduction which they might be reluctant to accept as a treaty obligation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

GERMANY AND AUSTRIA: A EUROPEAN CRISIS

By Friedrich W. Foerster

MOST Americans who have heard of the great dispute about the *Anschluss* of German Austria with the German mother-country have ranged themselves on the side of those who favor this union. They have entirely failed to understand why Germany's neighbors should be endeavoring, at any cost, to prevent what seems so entirely in the nature of things and, indeed, almost inevitable. To understand the opposition which exists to the *Anschluss*, this most recent manifestation of the tendency of the so-called Central Powers toward unification must be viewed as an incident in the stream of European history.

Before the war the Hapsburg monarchy represented the last remnant of the old super-national German Empire, or, as it was always styled in documents, the "Holy Roman Empire of the German Nation." This super-national empire was the foundation stone of Europe's unity. In those days Germany was accustomed to safeguard her position in Europe not by a large army but by federal union with her neighbors. The border lands, the so-called "marches," were especially designed to further such federation. The rulers of the German southeast march, Austria, made it their business to foster the union of the nations in southeastern Europe with the German race by means of dynastic marriages — "*Tu, felix Austria, nube!*"

Long after this old German Empire had succumbed to the divisions resulting from the Reformation, from the Thirty Years' War, more recently from the Napoleonic Wars, and last of all from Bismarck's war against Austria, the latter still continued to have an external existence. But the super-national system had been gradually deprived of its moral and political basis, *i.e.*, the super-national ideology. After the foundation of the new German Empire under the hegemony of Prussia, the nationalism of this new Germany invaded Austria also, thereby stimulating the nationalism of Slavs and Magyars. As a result, the super-national Austrian state, which no longer had a soul, became the scene of embittered struggles between the various nationalities. The World War had its roots in this condition of things. Instead of reviving the super-national idea of the state, which had been of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

such tremendous importance for the organization of southeastern Europe, the Austrian leaders, who were of Germanic race, hit upon the unfortunate idea of heading off the dissolution of the Danubian monarchy through Slavic nationalism by striking a determined blow against the Southern Slavs, *i.e.* the Serbs. In General Conrad von Hoetzendorff's memoirs is to be found full evidence of this deluded militaristic belief in that false solution.

About the middle of the World War, in July 1917, the Emperor Charles conceived the plan of bringing about a solution of the Austrian problem in the opposite direction. His intention was to transform Austro-Hungarian dualism into a federation of autonomous German, Magyar and Slav states. The Emperor thought he could in this way settle permanently the conflict which had given rise to the World War, and he hoped thus to provide a basis for the conclusion of peace in Europe. This last attempt to save the situation failed, because neither the Austrian Germans nor the Magyars were willing to surrender their hegemony. That is why the Danubian monarchy went to pieces.

The inner meaning of the Versailles, St. Germain and Trianon peace treaties and their influence on world history was this: in these treaties the principle of nationalities was now applied in all its logical consequences to southern and eastern Europe by the creation or restoration of three Slavonic states. The one-sidedness of these treaties is seen in the fact that they did nothing but dissolve what existed and failed to call a new grouping into existence. The fact that no new connection was effected between Austria and southeastern Europe led to the strong German propaganda which set in immediately after the conclusion of the peace treaties, and which aimed at bringing Germany's Austrian kinsmen into the German Empire. This propaganda recently achieved its first success in the proposal for a customs union with Austria.

Why have Germany's and Austria's neighbors protested so emphatically against this customs union? Going further back, why was Austria's *Anschluss* with the German Empire in any shape or form prohibited by the peace treaties? Why was Austria, when the western Powers granted her considerable credits in 1922, obliged to enter into a new formal engagement that she would never surrender her economic independence, either directly or indirectly?

The reason was simply that Germany's recent antagonists were

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

afraid that a new German national block containing 80,000,000 persons would constitute a serious menace to the equilibrium of Europe and a dangerous bait to augment those yearnings after a policy of might which still linger among the German people. To what degree this fear is shared also by Switzerland may be seen from an article published as long ago as 1928 in the *Basler Nationalzeitung*. Writing of the noisy German *Anschluss* propaganda which occurred at the time of the Schubert festival in Vienna, that paper said: "With a Greater Germany on the horizon, we shall witness all around us a furious nationalistic reaction. A greater German Empire reaching from Hamburg to Pressburg would push all other states to the wall by its more vital power. It shows the deplorable shortsightedness of the political leaders of our continent that this central perspective does not guide them in every single thought and action."

Sober-minded Austrian observers who have remained free from the infection of German imperialistic nationalism have repeatedly insisted that there is a very definite danger that, if Germany's policy of might were revived, Austria might be carried away by it. The Austrian economist Urbas, for example, published an urgent warning in the *Neue Zürcher Zeitung*, pointing out that people did not sufficiently bear in mind that Austria's union with Germany did not consist in the mere addition to Germany of a territory of some thirty thousand square miles, with seven million inhabitants, but rather in the fact that the German Empire would then extend right up to the Italian frontier and to the gates of the Balkans and would thus almost encircle Czechoslovakia and Switzerland. Such an extension of Germany would automatically open the door for Germany's absolute control of the commerce of Hungary, Czechoslovakia, Jugoslavia and Italy. But this menace to the economic liberty of Germany's neighbors, a menace which would be bound to follow the building up of such a powerful body-politic, is not the greatest danger. A strong ethnical magnetism would be exerted by this Germanic block. It would attract to itself the German minorities in all the newly created Slavic states, and this would jeopardize their very existence. This is especially true of Czechoslovakia, which would see itself surrounded by German power as by a horse-shoe magnet. The self-determination of this new state would then have short shrift. The Bohemian Germans would only too readily succumb to this magnetic attraction and would relapse into a violent irredentism; and after

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that it would be German Switzerland's turn. Indeed, Switzerland would be subjected to the strongest economic pressure, as has already been pointed out by a farsighted Swiss statesman, J. B. Rusch, who recently broached in the *Basler Nationalzeitung* the question as to how long the super-national idea of the state, as embodied in the Swiss commonwealth, would be likely to resist the magnetic attraction exerted by national states. He pointed out that by insisting on the inclusion of all members of the German race within one single frontier, the *Anschluss* propaganda was creating a very critical situation for Switzerland. Austria's fate, he said, foreshadowed the fate of the Swiss commonwealth.

These Swiss fears are far from being without foundation. But the general interests of Europe are also involved. Switzerland and Austria were the two states actually embodying the idea of super-national federation. "The whole of Europe ought to become a larger Switzerland," said Nietzsche. He might just as well have said "a larger Austria." In this sense Count Coudenhove was justified in pointing out, in his review "Paneuropa," what an important rôle Austria as an independent state has been playing in the whole system of the European balance of power. "From the political and the strategical point of view," he wrote, "Austria may be regarded as a continuation of Switzerland, as a bridge leading from the Latin countries of western Europe to eastern Europe, and as a barrier between Germany and Italy."

He further pointed out quite correctly that, for this reason alone, the *Anschluss* was a problem that concerned not only the two principal parties, but the whole of Europe. He said: "Any one who does not admit Europe's right to have a word in this matter need only think of the analogous attitude of Frederick the Great regarding Bavaria's *Anschluss* to Austria. On that occasion, just as at present, the two principals — in this case Austria and Bavaria — had agreed upon *Anschluss* and had decided to cede Belgium to the Elector of Bavaria in return. But Frederick the Great intervened, insisting that any change of equilibrium within Germany was a matter concerning also the other princes of the Empire, including himself, and that, in the interest of Germany, he could not permit any accession of power to Austria within Germany. The great German princes made his view their own and founded the League of Princes under his leadership. Bavaria and Austria were compelled to give up their plans for *Anschluss*, and they were never realized. Frederick the Great and his asso-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ciates at that time observed exactly the same attitude towards Austria and Bavaria which France and her allies today observe towards Germany and Austria. They, too, insist that the *Anschluss* must be treated as a European question, and they are against it, because it entails a one-sided accession of power to Germany within Europe."

When, in the earlier half of the last century, Belgium was planning union with France, England raised her voice against it in the interests of the equilibrium of Europe. On that occasion, King Louis Philip gave in "for the sake of peace."

If the German-Austrian *Anschluss* should some day become a fact, it would give new vigor to Germany's political and economic imperialism and would tempt the German nationalists — whose expectations are running high as it is — to make demands and engage in enterprises which would inevitably lead to another European war. That is why in 1928 Beneš said in Berlin: "*Anschluss* means war!" If anyone denies this, either he is not sincere or he has no conception of what is bound to follow.

Democrats who advocate the *Anschluss* ask how any one can be so inconsistent as to lay down the principle of the self-determination of nations as a guiding rule and at the same time deny that Germany and Austria have the right to enter into a union.

If one formulates the question in these terms, one might just as well ask: How can it be that in a state which acknowledges the human rights of free citizens a young man who has embezzled a small amount of money is placed on probation for a number of years, or that a man who has committed an assault is put in prison and deprived of his liberty? If the question is put in this form, the answer is that it is for the very purpose of safeguarding the inviolability of right and the security of self-determination; those who have seriously interfered with the self-determination of others, and who persist in their mental attitude, so that the menace remains, are temporarily restricted in the use of their personal liberty. Catharine Booth once gave a street-urchin who had thrown stones after her a smack on his ear. "Is this salvation?" he asked. "Yes," she replied, "punishment is salvation!" In this sense, the prohibition of *Anschluss* is justified as a salutary and necessary reaction, on the part of those who had to submit to the German invasion, against the aggressive and lawless nationalism of the ruling classes in Central Europe.

Every German who suffered from that aggression morally, in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the same degree as the citizens of other nations suffered materially, cannot but hail with satisfaction that this salutary reaction did not fail to make itself felt, even though a mendacious propaganda has unfortunately found ways of obscuring in the mind of the German people the sense and justice of those paragraphs in the peace treaties. The aggression of 1914 cost the world fourteen million dead, eight million maimed, and economic losses that cannot be computed. If this were allowed to pass without the erection of any safeguards against further assaults by incorrigible war-makers — in short, without any manifestation of the right of self-defense against what endangers the common weal — this would really amount to the tacit admission that the rights of law-breakers are more important than those of their victims.

The prime purpose of prohibiting the *Anschluss* would be to give the new Slav states a chance for peaceful consolidation and to enable the German sections of their populations to go to work in quiet coöperation with the main body of their citizens. Security of this sort must also be demanded in reparation for the former destruction of the Polish state through Prussia's initiative, for the hundred years of oppression of the Polish people, and for the destruction of Bohemia's independence by the Hapsburg dynasty following the battle of the White Mountain. It will be seen that, in both cases alike, it is for the purpose of such reparation that the self-determination of the former Central Powers has to be restricted in favor of the self-determination of the newly created or restored states, and that this is by no means an injustice, but rather, in the deepest sense of the word, a just reparation.

German propaganda endeavors to suggest that the understanding between Austria and Germany is altogether in the spirit of Pan-Europe. This is entirely wrong on psychological as well as on political and economic grounds. The creation of a Central European national block would inevitably give rise to a Germanic hegemony on the European continent. By broadening the foundation of Germany's consciousness of political power, it would revive Germany's policy of might which broke down in 1918. And this would certainly not lead to the creation of Pan-Europe, but rather to an attempt to restore the frontiers of 1914 and hence to a new European cataclysm. Austria and Germany must first achieve *Anschluss* with the rest of Europe; when that is accomplished, their special union will no longer be a danger to the European peace. In other words, the Austro-German union must

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

be preceded by a general European union with all the moral and political guarantees which that implies.

As long as these universal guarantees remain unachieved Austria would run grave risk of being completely conquered by the superior industry of Germany. The Austrian is not equipped to enter into active competition with the German of more northerly latitudes. He has developed his own special mentality during centuries of intercourse with the Balkan nations. But whereas he would succumb to northern energy, he has a great task to fulfil in the southeast in the rôle of mediator. It would therefore be deplorable in the extreme if Austrian individuality were to be leveled out of existence by Berlin. How great this danger is we see in the case of the peaceful and democratic Bavarian people, who have been alienated from all their own traditions by nationalistic Prussian agitators, and who have in fact become the real pivot of nationalistic reaction in Germany.

To sum up. The agitation for Austria's *Anschluss* with Germany is to be deplored from every possible point of view and must be regarded as endangering the peace of Europe. The excessive concentration of power which would result would hinder and prevent what has been described at the beginning of this article as the real task of Germany and especially the German border lands: the establishment of a peaceful federation between Central Europe and the Slav countries, the mediation between west and east, and the overcoming of rigid nationalism in favor of a new super-national association and coöperation.

In the preceding paragraphs the question at issue has been examined from the viewpoint of European peace and of the interests of Austria. But the *Anschluss* must be rejected also from Germany's own standpoint. She is urgently in need of French credits, and she would not be able by herself, for lack of capital, to finance and stabilize the markets of southeastern Europe which she hopes to dominate by the creation of *Mitteleuropa*. In short, Germany, for numerous reasons, cannot do without French assistance and confidence. France, on the other hand, is justified a thousand times in her fears that the creation of a new Germanic national block would endanger not only her own safety but also the peace of Europe. That is why the whole *Anschluss* movement must be regarded as wrong and short-sighted. Let us hope that it may still prove possible to replace it by a policy that is constructive and European in the true sense.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

INDIA BETWEEN THE CONFERENCES

By L. F. Rushbrook Williams

THE first session of the Round Table Conference in London concluded upon a note of sober optimism. No one among those who participated in its deliberations, whether British or Indian, could shut his eyes to the formidable character of the difficulties which lay ahead. Nevertheless, it was with legitimate satisfaction that the majority of the delegates cast their minds back to the steady tale of work accomplished.

At the time when the Round Table Conference met, the political horizon had been indeed overcast. The Indian National Congress had boycotted the Conference; and as a result of their deliberate defiance of the law, many thousands of Indian political leaders were in jail. Among these were included several at least who for the last quarter of a century had won the respect alike of Englishmen and of their fellow countrymen as earnest workers for India's political uplift. Furthermore, even those representatives of India's political opinions who had made up their minds to attend the Round Table Conference were pessimistic as to the possibility of any real achievement. There was a frankly-expressed distrust of the intentions of Great Britain. On the British side also, there was in many quarters a hardening of opinion, amounting almost to impatience, due to the impression that India would be satisfied with nothing which fell within the bounds of practical politics.

As the Conference proceeded, however, the sky gradually cleared. The representatives of India were genuinely impressed by the friendly atmosphere with which they were surrounded in London. They soon came to realize that there was an earnest desire on the part of British parliamentary and public opinion to understand the Indian point of view, and to meet it as far as possible. But the most powerful instrument of change was the procedure of the Round Table Conference itself. Indians are notoriously quick to seize upon the essential spirit of any gathering; and they quickly found that in the Conference they were not in the position either of suppliants demanding justice or of accusers arraigning an unjust judge, but of responsible statesmen, possessing a mandate which no one questioned, sitting down with their British colleagues in an endeavor to find the solution of a

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

number of problems of joint concern to their own country and to Great Britain. In other words, they realized that they were not expected to argue in defense of their rights; their rights were tacitly admitted. What they were expected to do was to demonstrate how the exercise of those rights could be reconciled with the hard facts of the conditions of their country. And if British public opinion learnt to appreciate, perhaps for the first time, the strength and universality of the feeling, common to large classes of Indians, that they should be masters in their own house, Indians for their part began to realize that the difficulties inherent in the situation in their country were not mere bugbears, erected by Britain for the purpose of deterring Indian Nationalism from its chosen path, but real and solid dangers which must be faced and met. Accordingly, reluctant as were the representatives of India to admit the existence of any sphere of governmental activity which must for the moment be withdrawn from their own complete control, there was a general recognition that in the interests of India no less than of Great Britain the scheme of responsible government adumbrated by the Conference must be accompanied, for the present at any rate, by certain reservations and exceptions.

If the problem of a self-governing India were indeed the simple and straightforward proposition that some of the critics of Great Britain's policy imagine it to be, the Round Table Conference would unquestionably have pursued a different course. But the hard fact remains that India possesses the spirit of nationalism, without being a nation; and any form of self-government entails an adjustment of differing, and in certain cases directly conflicting interests. This presents a puzzle as complicated as it is dangerous. On the question of the safeguards designed to satisfy the needs of external security and internal tranquillity, the Indian delegates, with certain exceptions, thought alike. They admitted the necessity of reservations; but they desired them to be as unobtrusive as possible. The same is broadly true in regard to the safeguards designed to preserve India's financial credit; although here there were evidences of an incipient rift between India's moneyed interests and other sections of the population. Nor did the formidable problem caused by the existence of the semi-autonomous Indian States, which had loomed so large before the eyes of the Simon Commission, present the difficulties which had been feared. For the representative Princes who participated in the work of the Round Table Conference made it clear, from a very

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

early stage, that they were perfectly prepared to enter an All-India Federation, provided they were assured of certain concessions to the peculiar position of their States.

But it was in regard to the problems of the so-called minority communities, the Mohammedans, the Sikhs, the Anglo-Indians, and the depressed classes, that the general unanimity on matters of principle seriously broke down. The Mohammedans made it perfectly clear that they would agree to no form of responsible government which did not provide what they regarded as adequate safeguards for the preservation of the culture, and the maintenance of the rights, of a community which has traditionally held itself aloof from the mass of the Hindu population. Indeed, towards the end of the Conference, the pronouncements of the Mohammedan representatives assumed a certain asperity of tone. For it must be regretfully recorded that they had acquired the impression, rightly or wrongly, that His Majesty's Government of Great Britain was more interested in Hindu aspirations than in Mohammedan apprehensions. The closing declaration of the Prime Minister, in other respects so gratifying to them as Indians, left them as Mohammedans with the feeling that insufficient attention had been paid both to their wishes and to their power to make those wishes effective.

Perhaps the clearest evidence that can be discovered of the reality of the proceedings of the first session of the Round Table Conference is supplied by the events of the last few months in India. For those problems in regard to which the Round Table Conference succeeded in arriving at an agreed principle, however formidable intrinsically they may be, are steadily but surely working themselves out in a hopeful manner. Let us take, for example, the general question of the satisfaction of Indian National sentiments. The Hindus have always been by tradition the vanguard of Indian Nationalism. Now in the Round Table Conference, as we have seen, the Indian National Congress, which represents the largest and best organized section of Hindu opinion, was entirely unrepresented. Would the Congress persist in its attitude of boycott? That it would do so seemed probable, more particularly as Mr. Gandhi and the majority of his lieutenants were still in jail. Furthermore, in many parts of India the local Congress Committees, owing to their professed policy of breaking the law, had been proscribed as illegal organizations. But towards the end of January, Mr. Gandhi and a number of his immediate

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

followers were released. In response to appeals addressed to them by the Hindu leaders who had participated in the Round Table Conference, they agreed to take no definite line until they had had an opportunity of listening to the returning delegates.

On their arrival in India, Sir Tej Bahadur Sapru, the Liberal leader, together with some of his colleagues on the Conference, hastened to Allahabad and initiated a series of lengthy conferences with Mr. Gandhi and his advisers of the Congress Party. We may conjecture that it was no easy task to convince the Congress stalwarts that the London Conference, which they themselves had boycotted, had in effect opened the road to the satisfaction of Indian Nationalist aspirations. Mr. Gandhi insisted that no truce with the British was possible without a recognition of the right to manufacture salt, to picket and to boycott foreign cloth, and to suppress the liquor trade. He also coupled with this some demands which astonish those who know India: the reduction of land revenue — the main source of income of any administration — by fifty percent; the abolition of the criminal police; the reduction of military expenditure by fifty percent; and the reduction of the rupee exchange rate from 1/6 to 1/4.

Yet it was gradually borne upon the mind of so shrewd a statesman as Mr. Gandhi that the proceedings of the Round Table Conference had caused little less than a revolution of world sentiment upon the general Indian problem. He could scarcely expect to command the sympathy of reasonable people if he rejected the opportunities which the Round Table Conference constitution would offer to the people of India to practice home rule. At the same time, an unquestioned acceptance of the results of the Round Table Conference would have amounted to a confession, such as no political party could afford to make, that the Indian Liberals had been right and the Indian Congress wrong. Somewhat naturally then, during the first few weeks which followed the release of the Congress leaders, Mr. Gandhi and his followers directed their attention to minimizing the results of the Round Table Conference, according precedence in their discussions to the questions in which they themselves were immediately interested, particularly the release of political prisoners and the general right of manufacturing salt. They also tended to place in the forefront of their demands a number of questions which were really only susceptible of solution after the main principle of a new constitution had been accepted; such as

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the examination of the total public debt of India, to determine what proportion of it had been incurred for "national needs," and what portion for purposes in which Great Britain was more directly interested.

Nevertheless, the Congress leaders soon began to realize that the foundations laid by the Round Table Conference were too solid to be ignored — a realization encouraged by the hope that the Congress might build on these foundations a more impressive structure than the Liberals had been able to erect. Accordingly, the minds of Mr. Gandhi and his followers began to turn more strongly in the direction of possible negotiations with the Government. The Liberal leaders directed their efforts towards inducing Mr. Gandhi to seek an interview with Lord Irwin. They hoped that an understanding between these two men, so different in temperament and in training, yet so similar in the unselfish devotion to the truth which each perceives, would provide a bridge across which Congress opinion might move to a better understanding with Great Britain.

It was difficult at first sight to see how such an interview could be fruitful. Mr. Gandhi was prepared to set a high price upon any abandonment of the general campaign of civil disobedience; and certain of his demands, such as a general inquiry into the conduct of the Indian police, were quite outside the boundaries of practical politics. Further, the progress of the negotiations was not likely to be helped by Mr. Gandhi's habit, ruefully noted from time to time by some of his own followers, of treating all political problems as moral issues. But Britain was fortunate in having as Viceroy not only a statesman of the first rank, but also a man who by temperament habitually sets moral issues above everything else. And as the conversations between Mr. Gandhi and Lord Irwin were protracted day after day, it gradually became obvious to the world that they had succeeded in discovering at least a basis of mutual understanding. There was a dramatic quality about these interviews which appealed to common humanity in every country. The spectacle of the representative of a mighty Empire, clad with the power and prestige of a position almost unique in this workaday world, closeted for hours of the friendliest converse with the frail little ascetic who holds the majority of Hindu India in the hollow of his thin hand, was one at which all men who seek peace might thankfully marvel.

Patience and good will on both sides overcame the greatest

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

difficulties; and in the early hours of the morning of March 4 the world learned that Lord Irwin and Mr. Gandhi had reached an agreement. The campaign of civil disobedience would be brought to an end; and the Congress was to participate in the constitutional discussions arising out of the Round Table Conference. The boycott of British goods as a political weapon was to be discontinued, although such picketing as fell within the limits permitted by the ordinary law might continue to promote the sales of Indian cloth. The inquiry into the allegations against the conduct of the police was to be dropped; for it had been realized that any such inquiry, even if practicable, would also have involved an inquiry into the conduct of some of Mr. Gandhi's "non-violent" volunteers — conduct by no means always beyond reproach. The Government agreed to withdraw the temporary ordinances in connection with the civil disobedience movement; to release prisoners undergoing sentence for offenses other than those of violence; to remit fines which had not been realized; and to withdraw prosecution pending against those who had broken the law without being guilty of violent action. Moreover, those persons who resided in the salt areas were to be permitted to collect and make salt for domestic consumption, but not to sell it outside their villages.

The general equity of the agreement is perhaps best shown by the fact that sections of opinion, both in Britain and in India, did not hesitate to acclaim it as a victory for the other side. The true meaning of an event so outstanding cannot be accurately assessed save by the judgment of history. But some consequences are already apparent. A great change has already come over the general political atmosphere of India. Lord Irwin, it is plain, has done two things which of themselves would entitle him to take rank among the greatest Viceroys whom Great Britain has ever dedicated to the service of India. In the first place, he has raised to an immensely high moral plane the general spirit of Britain's dealings with Indian National aspirations. In the second place, he has gone far to demonstrate to the world that if these aspirations do not come to fruition, the fault will lie not in British intentions, but in the inherent difficulties of the Indian situation.

It is indeed among the tragedies of that situation that there seems almost no possibility of coming to satisfactory terms with one party in India without bitterly offending another. The successful issue of the Gandhi-Irwin negotiations filled the Hindus with

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

triumph, and the Mohammedans with something like despair. For it must never be forgotten that although Mr. Gandhi has a certain number of loyal Mohammedan followers, he is essentially a Hindu, leading a Hindu movement. For all his endeavors to reform the abuses of the Hindu social system, that system is essentially the bedrock of his strength. It has shaped his attitude towards economic as well as towards political questions; it is responsible for his plainly expressed dislike of the propaganda of Christian missionaries.[1] It accounts for his abhorrence of the more material side of western civilization. Since Mr. Gandhi rose to unquestioned preëminence in Congress circles, Congress has become more than ever Hindu. To the anxious eyes of many Mohammedan leaders, the successful upshot of Mr. Gandhi's conversations with Lord Irwin represented a long step towards the creation of Hindu domination.

Relations between Hindus and Moslems have for some months been very strained in India. The apprehensions of the Mohammedans regarding the difficulties which they were likely to encounter in any self-governing constitution of the western type, in which the Hindu majority would necessarily be dominant, had, as we have seen, been strengthened in London. They now received additional confirmation from the successful upshot of the negotiations which had taken place, as it were upon equal terms, between the representative of the Hindus and the representative of Great Britain. But worse was to follow. Communal riots broke out in various parts of Northern India, but paled into insignificance in comparison with the terrible tragedy of Cawnpore. In this great town a small population of Mohammedans, mainly of the shopkeeper class, lived surrounded by many times their own number of Hindus. On March 24 the Hindu population desired to close the bazaars as a sign of mourning for the execution of certain Hindu anarchists for the murder of a police officer at Lahore. The Mohammedans refused, and serious rioting broke out. Amid a scene of unprecedented horror, which the small garrison of troops and the police could do little to restrain, the Mohammedan population was almost exterminated. The casualty list was popularly estimated at something like a thousand souls, including women and infants in arms. The survivors fled. The

[1] In a recent interview Mr. Gandhi said: "If, instead of confining themselves purely to humanitarian work, such as education, medical services to the poor, and the like, they would use these activities of theirs for the purpose of proselytising, I would certainly ask them to withdraw. . . . India stands in no need of conversion from one faith to another."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

effect upon Mohammedan opinion all over India was immediate and profound. Communal feeling blazed to an unprecedented height. As a result the problem regarding which the Round Table Conference had been unable to arrive at an agreement, even in principle, revealed itself in all its stark magnitude, at the very moment when that other problem, reckoned by the world in general as so much more important, namely, the reconciliation of Indian National aspirations with the spirit of the British Commonwealth of Nations, was in a fair way to resolve itself.

The Cawnpore tragedy occurred on the very eve of the meeting of the Indian National Congress at Karachi. It was obvious to all that Mr. Gandhi's difficulties would be considerable. Although he was the accredited spokesman of the Congress, and although in his negotiations with Lord Irwin he occupied the position of a plenipotentiary, there were many sections of his own followers to whom his agreement with Lord Irwin seemed something like surrender. The extreme left wing of the Congress Party, particularly the Youth League headed by Pundit Jawaharlal Nehru and Mr. Subhas Bose, had for some months been drifting in the direction of pure communism. Only the personal influence of Mr. Gandhi, only the thrill of participating actively in a campaign, even a non-violent campaign, against the existing government, had kept this section of opinion in line. Its adherents regarded constitutional activity as retrograde; they adopted Mr. Gandhi's doctrine of non-violence as a matter of expediency rather than as a matter of principle. The best of them were uncompromising idealists; the worst, political banditti. The calling-off of the civil disobedience movement threatened the loss to the one section of their chosen field of battle; to the other section, of their means of livelihood. Small wonder that they prepared a hostile reception for Mr. Gandhi at Karachi. More formidable, perhaps, was the feeling of a large body of orthodox adherents of the Congress that in calling off the civil disobedience campaign with its professed objects still unachieved, Mr. Gandhi had taken undue advantage of the discretionary power which the Congress had placed in his hands. Nevertheless, such is his prestige that no one seriously doubted his ability to secure, at least by a substantial majority, the ratification by Congress of his agreement with Lord Irwin. What was in doubt, however, was his ability to secure this ratification

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

without splitting the Congress and without driving the left wing to secession, as had occurred once before in the history of that institution.

Faced with this crisis, Mr. Gandhi showed himself a superb tactician. He took full advantage of the fact that an over enthusiastic adherent of the extreme left wing threatened him with personal violence. The result of this attack was to rally around him all the most substantial elements of Congress opinion, and to deprive the left wingers of any reasonable chance of securing support for their views. At the same time Mr. Gandhi made the way easy for his more enthusiastic followers by expressing sentiments which, if accurately reported, seemed at first sight scarcely reconcilable, in the strict letter at least, with the spirit of his truce with the British Government. He himself moved a resolution extolling the bravery and sacrifice of the Lahore anarchists and expressing the opinion that their execution was an act of wanton vengeance and a deliberate flouting of the unanimous demand of the nation. He referred to the intact demand of the Congress for complete independence; he encouraged Indian commercial interests to hope for a privileged position, even within India, as compared with their British and foreign competitors settled in the country. His public pronouncements assumed a distinctly uncompromising tone. But while on the one hand he did his best to rally his followers by the means familiar to political leaders in every country, he also made it perfectly plain that he intended to fight vigorously for his compact with Lord Irwin. He stated that if the compact were not endorsed by the Congress he would retire from political life and starve himself to death.

The result of these adroit tactics was a signal victory. First the working committee, and then the general meeting of the Congress, fell more and more completely under the spell of Mr. Gandhi's personality. The opposition, even that of the extremists, became half-hearted. The crucial resolution was adopted by an overwhelming majority. It read as follows, and its terms are worth careful study: "This Congress, having considered the provisional settlement between Mr. Gandhi and Lord Irwin, endorses and desires to make clear that the Congress goal of Purna Swaraj[2] remains intact. In the event of the way

[2] A convenient expression which may mean, according to the pleasure of the interpreter, either "complete independence" in the international sense, or "complete self-government" in the Commonwealth sense, or "government of the self" in the moral sense.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

being open to Congress to be represented at any Conference of representatives of the British Government, the Congress Delegation will work for this goal, and in particular, for national control over the army, external affairs, finance, and fiscal and economic policy; the right of scrutiny through an impartial tribunal of the financial transactions of the British Government in India, and the right to examine and assess the obligations to be undertaken by India or Britain; and the right of either party to end the partnership at will, provided, however, that the Congress delegation be free to accept such adjustments as may be shown to be necessary in the interests of India. Congress appoints and authorizes Mahatma Gandhi to represent it at the Conference, with the addition of such other delegates as the working Committee may appoint to act under his leadership."

Mr. Gandhi thus acquired an entirely free hand. The important proviso authorized him to consider and discuss even those safeguards and reservations which had been suggested by the Round Table Conference constitution. No one was surprised when it was subsequently announced that Mr. Gandhi would himself be the sole representative of the Congress at the renewed sessions of the Round Table Conference. Having secured so complete a victory, Mr. Gandhi could afford to be generous to the younger and more enthusiastic section of his followers; and for some days after the successful termination of his negotiations with the Congress his public pronouncements were such as to cause alarm even to those sections of British opinion most favorable to the progress of Indian Nationalist aspirations. In the Declaration of Rights, which was passed in open Congress, there were distinct signs of extreme left wing ideas, expressed in phraseology which the world has learned to associate with the political program of the Soviet Government. Mention was made of the necessity of terminating "the exploitation of the masses;" of the limitation of all salaries to a maximum of £450 per annum; of reductions so drastic in land revenue, rent, and taxes that the resources of any future administration would stand in doubt. With these were coupled the demand for the full and entire control of India's finances, army, key industries, mineral resources and foreign affairs. It is worth noting that this far-reaching program excited a certain amount of adverse comment from the more orthodox members of the Congress, who felt that it represented rather the ultimate aspirations towards which a self-governing India might

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in the future direct its efforts than a practical plan of campaign for the immediate future.

With his position more impregnable than ever, Mr. Gandhi turned his attention to the communal question. The Mohammedans were in a very dangerous mood; and the meeting of the All-India Moslem Conference in the first week of April roundly attacked Mr. Gandhi himself. The British Government was accused of the most culpable weakness in pandering to Congress and to Hindus; and it was only with the greatest difficulty that certain of the Mohammedan leaders prevented the passage of a resolution, in the name of the Moslems of India, declining further coöperation in the deliberations of the Round Table Conference. The Conference declared unhesitatingly for communal electorates as a means of safeguarding the political position of the community. Indeed, some forceful criticism was directed against the Mohammedan representatives on the last Round Table Conference for their willingness even to negotiate in regard to this vital point.

It must unfortunately be recorded that Mr. Gandhi failed in his endeavors to placate Mohammedan feeling. He had previously announced his intention to attend a meeting with the Moslem leaders, armed with Swadeshi paper and a Swadeshi pen, with which to write the concession of whatever demands they might put forward. But when the time came he set his face against the concession of communal electorates, explaining that his own Mohammedan followers had warned him that they would not coöperate in the new constitutional organization unless all electorates were general rather than separate. The leaders of the All-India Moslem Conference were bitterly affronted, and roundly accused Mr. Gandhi of attempting to play off a small section of their community against the remainder. Indeed, there is reason to fear that, up to the moment of writing, Mr. Gandhi's interposition has made the communal position worse rather than better.

It is important to notice that the real crux of the problem of Hindu-Moslem adjustment lies less in the question of communal electorates than in the question as to where, in the new Constitution, the residuary powers shall lie. The communal electorates are regarded by the orthodox Mohammedan of India as a valuable safeguard; but if in the new constitution the residuary powers were allowed to vest in the federating units,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rather than in the Central Government, the Mohammedans would feel that their position was to a great extent secure. For in the Provinces, if the system of checks and balances upon which the Mohammedans lay stress is to come into operation, they feel confident that they will be able to safeguard themselves. What they fear is domination by a federal center, which must, under any conceivable arrangement, reflect the preponderant position of the Hindu majority. The Hindus, on the other hand, are naturally unwilling to sacrifice the political advantage which, in their view, their numbers entitle them to assume; and they further cherish deep and not ill-founded apprehensions that the vesting of residuary power in the Provinces may lead to the break-up of such national sentiment towards the unification of India as exists at present. The real importance of this question as to where the residuary powers shall lie was revealed to careful observers by the sessions of the Mohammedan Nationalist Conference at Lucknow, which was intended by the Congress to offset the political effect of the meeting of the All-India Moslem Conference at Delhi. This Lucknow meeting, which consisted for the most part of four hundred Mohammedans who follow Mr. Gandhi and the Congress, while it duly served its appointed purpose in denouncing communal electorates and declaring the readiness of the Mohammedans to persevere along the road leading to complete Swaraj, proceeded to record an emphatic opinion that in the new constitution the residuary powers should vest in the federating units. Thus, along the most critical frontier of division between the Hindus and the Mohammedans, Mr. Gandhi's own Mohammedan followers are lined up with the rest of their co-religionists.

Here for the moment the matter stands. The outbreak of the communal troubles has gravely disconcerted the British authorities, both in England and in India. No pains have been spared by Lord Irwin to induce the leaders of the two communities to come to a common understanding. So far these efforts have not been successful. In the last important announcement which Lord Irwin made, at the termination of his five years of devoted labor for India, he said: "If there is one thing more certain than any other, it is that no political society can prosper or be at peace within itself unless the minorities are reasonably satisfied with their conditions. Therefore, it is no answer to say that the particular conditions which the minorities demand for their interests

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

are inimical to the evolution of Indian nationhood. If, as I believe to be the case, there is a wide feeling of apprehension among the minorities, and, if I may offer a word of personal advice, I would say that the wisest course for the majority community is frankly to recognize these apprehensions and be prepared to give the reassurances desired and claimed until such time as of their own free will the minorities were prepared to let them go."

It will be among the earliest tasks of Lord Willingdon, Lord Irwin's able and experienced successor, to endeavor to arrange some compromise between the two communities. There is little doubt that Mr. Gandhi will persevere in his own efforts. It is greatly to be hoped that these projects will succeed; for until a better understanding is arrived at, it is quite impossible to resume the deliberations of the Round Table Conference. This is the more lamentable in that general public opinion in Britain is more and more convinced of the equity of the broad general principles laid down in the first session of the Round Table Conference. Dissentients there are, both powerful and influential; but the immense majority of people in Britain are anxious for nothing so much as for a peaceful and contented India. At one time it was hoped by the British Government to reassemble the Federal Structure Sub-Committee of the Round Table Conference in London in the spring. This proved impossible. The latest idea seems to be that the Sub-Committee shall assemble in July and shall work for six weeks or two months, in preparation for the reassembling of the main Conference in the autumn. But nothing can be done until some sort of a *modus vivendi* is arrived at between the Hindus and the Mohammedans. The danger of delay is emphasized by the fact that the communal spirit is spreading. Outbreaks of violence have occurred in various parts of India between the depressed classes and the orthodox Hindus. Before long, a situation almost equally formidable may materialize from the religious quarter also.

It is satisfactory to notice that the decision of the representatives of the semi-autonomous Indian States to continue their exploration of the federal idea has been reaffirmed by an important session of the Chamber of Princes held in Delhi in March. The Chamber renewed the mandate of authority to its representatives to the Round Table Conference, and while making it clear that entry into the Federation must in the last resort be a matter for each individual state, did not hesitate to record its

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

general approval of the progress hitherto achieved. In view of the sacrifices which a Federation will entail in regard to the jealously guarded autonomy of the individual states, it is scarcely surprising that a small section of the Princes still remains in doubt as to the wisdom of the projected policy. But the action of the Chamber in electing as Chancellor for this year the Nawab of Bhopal, a young, energetic, and enlightened Prince, who is a great exponent of the idea of federation, shows plainly the way in which the tide is turning. Incidentally, this election is of great interest in connection with the communal difficulties which have arisen in British India. For although the Hindu Princes are in a great majority, they did not hesitate at this critical juncture of their fortunes to accord their confidence to a Mohammedan Chancellor. Indeed, the enviable freedom of the Indian States from Hindu-Moslem conflicts is of itself a good augury for the success of the federal ideal in India. Within compact homogeneous areas the claim of citizenship can already override racial and religious divisions. Local autonomy, it is to be hoped, will provide a solution for communal troubles, as for several other of India's difficulties.

As to the genuine desire of the British people and of their representatives in India to assist the progress of Indian nationalism on the lines laid down by the Round Table Conference, there can be no doubt. But the events of the last four months show plainly how numerous and how difficult are the problems which must be solved before Indian nationalism can attain its full fruition. Granted the continuance of that healthy and honest coöperation between the best brains of Britain and of India, not one of these problems should prove beyond the possibility of solution. But it is becoming increasingly evident, even to the most ardent champions of Indian nationalism, that the principal obstacles to the realization of their ambitions lie not in British intransigence but in the conditions of their own country.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE FARMER AND FOREIGN TRADE

By Arthur Capper

WE are having our troubles these days in the United States. We have too much money — and people penniless. We have too much wheat — and people hungry. We have too much cotton, copper, coal, petroleum — too much production generally — and people in need of the things we have overproduced. We even seem to have too many debtors abroad, owing us so much money that if they pay their debts to us they can't buy our goods from us. When the rest of the world can't buy our goods, then we have still more overproduction; factories have to close; our people are thrown out of work; they lose their purchasing power; we have goods on hand that cannot be sold either at home or abroad. Also, we have a world depression on our hands, and an uneasy feeling that perhaps in some way we may be the agent and at least partly responsible for it. So we wonder what it is all about and where it is going to end.

We wonder particularly about our foreign trade. It seems as though we ought to be able to sell enough of our surplus abroad to keep our industries busy and our workmen employed. For half a century and more we have had a favorable balance of trade, that is, we have annually sold more merchandise abroad than we have bought from abroad. And merchandise bought and sold, most of us have always understood, constitutes trade.

To be sure, some economists have been telling us for a decade or two that foreign trade consists of something more than traffic in merchandise. They have said that the favorable balance of trade we have enjoyed since the seventies was not due entirely or even mainly to our protective tariff system but actually was due to the fact that we were during all that time a "debtor nation." We were a debtor nation, it was explained, because foreigners had lent money to us by investing heavily in our railroads, our industries, our municipal and other bonds, so that every year we had to pay them hundreds of millions of dollars in interest. Foreign trade, these economists asserted, is fundamentally an exchange of goods and services. Of course we were getting merchandise from abroad every year; and that had to be paid for. So, before the World War, we were paying our interest

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and service charges in Europe by sending them more merchandise, in value, than they were sending us. That is, we each year exported enough more goods than we imported to just about balance our debts to Europe that came due that year.

That was the economic reason, these economists tried to tell us, that we had a favorable balance of trade. We had to ship more goods abroad than we received, or pay the difference in gold. And the only way we could get more gold was by borrowing it from abroad. We were busy building a new continental nation. We were building factories, railroads, utilities, highways, and business and financial institutions. And we were getting the capital for this construction work from abroad.

We paid scant attention to these economists. Economists are only theorists, anyway. We were selling more goods abroad than we were buying. The tariff was protecting our infant industries, keeping up the wage scale, making the American standard of living, and giving us a "favorable" trade balance. We were too busy developing — even then some used the word exploiting — our natural resources to pay much attention to theories about why things were as they were. The fact that they were was enough for us. We were selling the goods and building up an industrial civilization such as the world had never seen. We were developing mass production. High wages and low unit costs, advertising and salesmanship, purchasing power and American ingenuity were bringing national prosperity.

Then came the World War. Europe turned to works of destruction. Destruction required more capital in Europe, just as construction had been requiring more capital in the United States. Meanwhile, we in the United States had acquired considerable capital. We lent money and sold supplies to Europe, and finally sent men. Europe called on us for loans, after we had redeemed the capital Europe had poured into the United States during the preceding half century.

The United States thus became a creditor nation. Europe became debtor to us. Interest payments began coming across the Atlantic to our investors in European projects in larger amounts than were going the other way. We continued to lend more capital, to sell more goods. The demands for merchandise of all kinds kept our industries running at top speed. We had such a favorable balance of trade as we had not dreamed of a few years before. Mass production and Yankee efficiency enabled us to supply the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

European markets more cheaply than impoverished Europe could supply them herself.

But as Europe, partly with capital from the United States and its people, began to recuperate from the devastating effects of war, it faced the problem of paying its debts. Europe wanted to pay in merchandise. It still wants to do so. But if we should take payments in merchandise not only in exchange for the merchandise we ship abroad, but also in payment of services and of interest on American capital loaned in Europe, then we stand to lose our favorable balance of trade. We would be importing more merchandise than we export.

For more than a decade since the war we have defied the economists. A creditor nation, we have retained a favorable trade balance. Every year our exports of merchandise have exceeded our imports, as the following record (in millions of dollars) shows:

Year	*Exports*	*Imports*
1921	4,379	2,509
1922	3,765	3,113
1923	4,081	3,792
1924	4,498	3,610
1925	4,819	4,227
1926	4,712	4,431
1927	4,759	4,185
1928	5,030	4,091
1929	5,157	4,399
1930	3,782	3,061

If a favorable trade balance spells prosperity, the United States should have had it brimful and running over from 1921 to 1930.

On the other hand, as far as agriculture is concerned, the balance of trade has been unfavorable from 1923 to 1930, inclusive, except for one year. And those years have not been at all prosperous years for American agriculture. While on the subject of favorable and unfavorable trade balances, I might point out that in 1921 the balance of trade was "favorable" to agricultural products by nearly 550 million dollars; in 1922 the balance of trade was almost equally "favorable" to agriculture. But those years were not prosperous years for American agriculture, either. In other words, foreign trade statistics do not seem to indicate that the trade balance is even an index of prosperity or adversity for economic conditions. In fact, I am inclined to believe that it is the failure of our civilization to dis-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tribute wealth more equitably, whether that wealth is produced by American mass production or European individual craftsmanship, that is responsible for our present economic situation, rather than trade balances. That, and the immense costs of wars, past and future, under which all peoples are struggling. But this is aside from the subject I started out to discuss.

I am not discounting the importance of our foreign trade, nor attempting to minimize the importance to us of our exports. Any channel that handles 10 percent of the total of the goods produced in this country is entitled to serious consideration.

The statistics of our foreign trade in merchandise over the past 50 years show that during that period, with only slight variations from year to year, the United States has exported just about 10 percent of its total production. The character of exports has changed materially in that half century, but the proportion of the total production exported has remained remarkably constant. William L. Cooper, Director of the Bureau of Foreign and Domestic Commerce in the U. S. Department of Commerce, assumes that this proportion will hold true, approximately, for 1930, judging by the statistics already collected and checked. Another ratio that has not changed materially in 50 years, although it has varied from year to year and from decade to decade, has been the ratio between exports and imports.

It does seem to me there has been considerable loose thinking, and even more loose talking, about our "declining exports." Suppose we take a look at the records.

During the 50 years ending last December our foreign trade in merchandise increased some seven and one-half times. For the five year period, 1876 to 1880, it averaged 1,157 million dollars per year. For the five year period 1926 to 1930, it averaged 8,718 million dollars a year.

But here is an interesting note in connection with this increasing volume. For the five year period ending in 1880, our exports were 57.3 percent of our total foreign trade in merchandise. For the five year period ending 1930, our exports were 53⅓ percent of our total foreign trade in merchandise.

But to me the interesting fact is not that our exports have maintained a comparatively steady relationship to our imports, nor that this ratio has shown always the so-called favorable balance of trade. The interesting thing to me in the foreign trade record of the last half century is the change that has taken place

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in the character of our exports; and to some extent, though not so marked, in our imports.

Half a century ago nearly one-half our exports, by volume, were foodstuffs. Nearly one-third were crude materials other than foodstuffs. Less than one-fifth were what are classed as semi-manufactures and finished manufactures. Today more than half our exports, by value, are finished manufactures; one-seventh are semi-manufactures; one-seventh are foodstuffs (crude and manufactured); a little more than one-fifth are crude materials other than foodstuffs.

So far as our own export trade is concerned, the United States has passed beyond the state of producing foodstuffs for the world market; the United States has become an exporter of manufactured products. We still export some agricultural products, but aside from cotton and tobacco, these are becoming steadily smaller in volume and value.

During the five years 1876 to 1880 inclusive, average exports, by value, were 664 million dollars; imports were 493 million dollars. Crude materials exported during that period averaged 214 million dollars in value per year; they were 32.2 percent of our total exports. Crude foodstuffs exported averaged 159 million dollars in value a year; these were 23.9 percent of our total exports. Manufactured foodstuffs, 162 million dollars in value, were 24.4 percent of our total exports. Foodstuffs made up 48.3 percent of our exports in value. Semi-manufactures, 30 million dollars by value, were 4.5 percent of our total exports; finished manufactures, 99 million dollars by value, were 14.9 percent of total exports. Total manufactures were only 19.4 percent of total exports.

Turning to the record for 1930, we find that total exports were valued at 3,782 million dollars and total imports at 3,061 million dollars. But we find a difference in the exports far more significant to agriculture than the huge increases in the value of exports and imports. Crude foodstuffs exported in 1930 were valued at 179 million dollars, 20 millions more than the crude exports 50 years ago; but this 179 million dollars, by value, represents only 4.7 percent of total exports, compared to 23.9 percent 50 years ago. Manufactured foodstuffs, 363 million dollars by value, were a little more than twice the 162 millions exported a half century before. But they made up only 9.6 percent of the total, compared to 24.4 percent 50 years ago. Raw materials other than

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

foodstuffs exported in 1930 were 21.9 percent of the total, against 32.2 percent half a century ago. On the other hand, semi-manufactures increased from 4.5 percent to 13.6 percent of the total; and finished manufactures increased from 14.9 percent to 50.2 percent of the total. In other words, while exports of foodstuffs dropped from 48.3 percent to 14.3 percent, manufactures increased from 19.4 percent to 63.8 percent of the total.

During the half century the total value of all imports increased from a yearly average of 493 million dollars for the five years 1876 to 1881, to an average of 4,034 million dollars for 1926–1930. Proportional changes in classes of imports, under the same classification just used for exports, do not show as great relative changes. Crude foodstuffs imported in the 1876–1880 period were valued at 89 million dollars a year; they were 18.6 percent of all imports. Importations of manufactured goods averaged 106 million dollars yearly; they made up 21.5 percent of all imports. Foodstuffs were 40.1 percent of all imports 50 years ago. For the five year period, 1926 to 1930, we find foodstuffs amounting to 22.5 percent of all imports; 12.6 percent being crude foodstuffs, 9.9 percent, manufactured foodstuffs. Imports of finished manufactures dropped from 29.4 percent to 21.9 percent of all imports in the same period; semi-manufactures increased from 13.4 percent to 18.9 percent of the total. In value of finished manufactures, importations grew from 145 million dollars annually to 882 million dollars annually. Imports of semi-manufactures grew from 99 millions to 762 millions.

These comparisons form a good background for the picture of our foreign trade. The Department of Commerce figures show that up until 1923 the balance of trade in agricultural products was always with the United States. Exports always exceeded imports of farm products. Since 1922, in only one year have exports of agricultural products exceeded such imports in value. Last year, according to preliminary reports from the Department of Commerce, we imported a quarter of a billion dollars' worth more of agricultural products than we exported. Total agricultural imports were to the value of 1,446 million dollars; total exports, 1,200 million dollars. In the following table I would direct attention to the steadily lower percentage of agricultural exports, and the comparatively even proportion of agricultural imports to the total imports, by value.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN TRADE IN AGRICULTURAL PRODUCTS

(*in dollars, 000's omitted*)

Yearly Average	Exports [1] Total exports	Exports [1] Percentage of all exports	Imports [2] Total imports	Imports [2] Percentage of all imports
1857–1861	215,709	81.1	121,998	38.5
1862–1866	148,866	75.7	123,639	43.5
1867–1871	250,713	76.9	182,756	43.0
1872–1876	396,666	78.5	268,481	47.4
1877–1881	591,351	80.4	273,780	51.8
1882–1886	567,473	76.3	324,607	48.8
1887–1891	573,287	74.7	381,967	50.3
1892–1896	638,748	73.0	415,975	53.9
1897–1901	827,566	65.9	403,705	53.8
1902–1906	879,541	59.5	526,806	50.0
1907–1911	975,399	53.9	705,800	50.2
1912–1916	1,256,452	45.1	1,028,629	55.7
1917–1921	2,859,558	42.7	2,164,337	61.5
1922	1,915,866	51.8	1,371,510	52.6
1923	1,799,168	46.3	2,076,371	54.9
1924	1,867,098	44.2	1,874,622	52.7
1925	2,280,381	47.7	2,056,619	53.8
1926	1,891,739	40.7	2,528,213	56.6
1927	1,907,864	39.2	2,280,340	53.6
1928	1,815,451	38.0	2,193,091	52.9
1929	1,847,557	35.0	2,178,470	50.8
1930	1,200,700	31.7	1,446,400	47.2

[1] Reëxports of foreign products not included.

[2] Does not include forest products, but includes crude rubber and similar gums.

Turning to specific commodities, we find that two items, cotton and tobacco, made up more than half the agricultural export trade of the United States in 1930. We exported 496.7 million dollars' worth of cotton; 145.6 million dollars' worth of tobacco. Cotton importations were slight in comparison with exports, being valued at only 25.3 million dollars. The 145.6 million dollars' worth of tobacco exported was partly offset by importations to the value of 40.9 million dollars. Exports of animals and animal products amounted to 150.7 million dollars, against imports worth 33.8 million dollars. Grains and grain preparations were exported to the amount of 191.3 million dollars; imports were only 24.1 million dollars. We exported 130.4 million dollars' worth of vegetables, fruits and nuts; importations, however, were 112 million dollars. Exports of dairy products and eggs, 19.7 million dollars' worth, were more than offset by 27.5 million dollars' worth of importations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Altogether agricultural exports were 31.7 percent of all exports, the smallest percentage in 70 years. Imports of agricultural products were 47.2 percent of all imports, the smallest percentage in 50 years. But the important feature of our agricultural foreign trade is the steady trend downward, on a percentage basis, of our agricultural exports; and the fact that agricultural imports have hung steadily around 50 percent of the total — except during the World War — for half a century.

So far as our foreign trade as a whole is concerned, we have suffered from the depression only proportionately as other leading nations have suffered. We are handling as much of the world's trade as we were before the depression. We are exporting approximately the same proportion of our production as in the past. But the character of those exports has changed materially.

Under present conditions, with nearly every nation in the world apparently determined to become self-sufficient as far as possible through protective tariffs, there does not appear to be a profitable world market for our agricultural products, outside of cotton, tobacco, and perhaps (for several years to come) lard. In some years there will be a foreign demand for other staples, but prospects that it will be steady are not bright. Our position as a creditor nation may force us, in time, to lower our tariff bars to allow other nations to pay their balances in goods. If that is done by lowering protection on farm products instead of on manufactured products, American agriculture will have neither a foreign nor a domestic market that is profitable. If the United States, and the nations of Europe, are to have high protective tariff walls, then the best that American agriculture can do, except in those commodities which the rest of the world is unable to produce in sufficient quantities to meet world demands — such as cotton and tobacco — is to restrict production to approximately the domestic demand.

After all, the American market is the best in the world, even during this depression. My own opinion is that the time is coming when we shall gradually lower our tariff barriers. But until that time comes, I can see little hope for a profitable foreign market for American wheat, for example. Western Europe is the world wheat market. Canada, the Argentine, Australia, and Russia can supply that market with wheat produced more cheaply than it can be produced, transported and marketed by American farmers under present conditions.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FALLACIES ABOUT OVERPOPULATION

By A. M. Carr-Saunders

THE interest which constructors of utopias had always displayed in the ideal number of citizens, along with the academic controversies about the "populousness of ancient nations" which entertained eighteenth century writers, gave place early in the last century to very practical discussions of population problems. It became widely recognized that numbers have a bearing upon social welfare, though the discussions were limited to conditions within certain old countries which were supposed to be suffering from overpopulation. But as the century advanced, the prevailing optimism and the determination not to raise devils, Malthusian or otherwise, caused interest in population problems to fall into the background. This interest has been revived by another great war and its scope has been extended to include international as well as domestic affairs. Moreover it is unlikely again to fade away. The scientific outlook has found what seems to be a permanent place in the investigation of social problems and no one imbued with this attitude could fail to keep in mind so fundamental a matter as population.

The study of the population problem in its international aspect is thus new. The required facts often fail us. Our knowledge of the demography of many countries is very defective. Only within the last few years have we begun to collect systematic information about migration movements. It requires, however, very little acquaintance with contemporary discussions to make clear that our thought about fundamental matters is much confused whatever the facts of the moment may be. It may therefore be of more service to attempt to deal broadly with basic issues than to direct attention to the particular situation existing at the present time.

Let us first take the characteristic of size, or to be more precise, of gross numbers. This characteristic is so obvious that on that very account it runs the risk of neglect. Nevertheless, other things being equal, power and prestige are a function of numbers. Now sociologists and psychologists are well aware of the disturbing influence of stature upon conduct, as shown, for instance, in investigations of offenders against the law. In somewhat the same way large nations tend to bully and domineer while small nations

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tend to cringe and intrigue. Difficulties of this order are enhanced because relative size does not remain constant. In 1821 the ratio of the population of Great Britain to that of Ireland was roughly as 2 is to 1; it now is as 11 is to 1. Are not the phases through which the attitude of Great Britain toward Ireland has passed — fear of a relatively large and potentially unfriendly neighbor, temptation to domineer over a smaller neighbor, and finally willingness to wash hands of so insignificant a neighbor — connected with changes in this ratio? Such changes are always in progress. About 1850 the population of Germany came to exceed that of France. At the present time France finds that Italy is drawing away from her. Or take the case of Russia. In 1930 Russia had a population of 158 millions and had gained 21½ millions in six years — that is, an average annual gain of 3½ millions. During the same period the rest of Europe, with a population of 370 millions, had an average annual gain of 2½ millions. Must we not attribute in some part at least the arrogance, domineering, suspicion and fear that have characterized the relations of European nations during the last century to such facts and such changes?

Another aspect of the same matter is seen in the marked concentration of public opinion in Europe upon the birth rate during the last decade or so. Since in Europe a high birth rate now goes generally with a high rate of increase, it is the same matter once again. But the concentration of attention upon the birth rate is worthy of note. A high birth rate is desired and a low birth rate feared. The former is regarded as a proof of vigor, and nations thinking themselves to be vigorous are inclined to suppose that they need to expand territorially. The latter is held to presage decadence, and public opinion supports the efforts made by various governments to encourage large families and to link fertility to patriotism. The ordinary citizen applauds these efforts and such of his neighbors as respond to them, though most often he finds the small family system best for himself.

Differences in size between nations are due to what we may call, for want of a better term, historical accidents. Nations have come into possession of territories of very different sizes and, whatever adjustments there may be in the future, it is obvious that differences on the present scale will remain. Thus population enters into international relations quite apart from the existence of what is known as population pressure. Moreover changes in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

relative size may occur without any question of overpopulation. In fact, with regard to those particular changes that have been mentioned there is no reason whatever to suspect the occurrence of overpopulation. There is no reason, for instance, to imagine that Germany was becoming overpopulated before the war. The rapid industrialization of that country apparently offered opportunities for the employment of more than the swiftly growing number of Germans, since Germany was finding work every year up to 1914 for some hundreds of thousands of immigrants. So, too, a policy of industrialization might well enable Russia to equal the rest of Europe in numbers without being overpeopled. Changes of this kind are inevitable. By some turn of the wheel a country may find itself in possession of unsuspected resources which a new invention has for the first time rendered of value. A high birth rate and a large increase of population are justified under these circumstances. But neighbors are alarmed and the country with an increasing population imagines quite erroneously that it is vigorous beyond its neighbors and entitled to territorial expansion. Such was the mind of Germany before the war. Hence come restlessness, bumptiousness, fear and friction, which nothing can assuage except a deepening understanding of these fundamental aspects of population. Territorial changes may indeed be proposed to satisfy claims for expansion, but this is a political cure for a political claim and not an economic remedy for an economic evil. As such it lies beyond the limits of this paper to consider.

While it is none too clear what is sometimes meant by population pressure, the underlying idea is a condition arising from maladjustment of numbers to resources. Let us accept this broad definition, but in so doing it is necessary to be as precise as possible. Maladjustment of numbers to resources implies that there are either too few or too many people in a given country. We may omit the former case and concentrate attention upon the latter because those who speak of population pressure clearly have it alone in mind. It is a commonplace notion nowadays that for any country under any given set of circumstances there is a limit to the number of inhabitants that it is desirable to have. Too many people — that is overpopulation — means that so much labor is applied to each acre of land that the yield per unit of effort is not as large as it might be. It is evident that the desirable number in any country varies with the natural resources and the skill of the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

inhabitants; the richer the resources and the more developed the skill, the higher the density that is desirable. Therefore a knowledge of the density is no answer to the question whether any country is overpopulated. Nor are other facts that are sometimes used for this purpose. A distinguished American student of population a few years ago examined the position of Great Britain and concluded that the country was overpopulated to about the extent of the number of unemployed persons. To show that this line of argument is unsound, it is only necessary to mention that, if he now turned his attention to the United States, he would conclude by parity of reasoning that the country was overpopulated by four, six or eight millions or by whatever the number of unemployed may be. The truth is that it is impossible to ascertain with certainty the number that it is desirable to have in any country at any given time. Gross overpopulation shows itself in some Asiatic countries where family farms are so small — an average of two or three acres — that, if the farms were twice the size, the family would clearly be better off. Moderate overpopulation may be suspected in certain circumstances. When we find the density of population equal in two countries, but the resources and skill and real income markedly higher in one than the other, we may reasonably suspect overpopulation in the latter. A comparison between Germany and Italy is a case in point. Again we may sometimes infer overpopulation from an examination of the data for real income over a period of years.

By definition, population pressure is a consequence of overpopulation. But the result of overpopulation is avoidable poverty. The term population pressure is unfortunate because it implies what most certainly does not necessarily follow — namely that overpopulation leads to pressure outwards as manifested in a desire for territorial expansion. Whether or not this is ever a consequence of overpopulation, the normal consequence is rather pressure downwards. The overpopulated millions of Asia work from before dawn until after dark for a pittance. They are overemployed, slaves to their farms, and have no energy or leisure left to think beyond the daily drudgery. This does not mean that they will not emigrate if a barrier is removed, as is shown by the case of the Chinese influx into Manchuria. The downward pressure produces a tendency for population to exude at the edges. It would, however, be very difficult to find any indisputable case in history of definite territorial ambitions or of deliberate aggression

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

seeking outlets on account of population pressure. These ambitions and aggressions have their roots in political motives, although those inspired in this direction may often believe that they are the victims of overpopulation.

Three solutions for overpopulation are suggested. The first alone is a permanent solution, and that is control of reproduction. It is very necessary to remember that the power of reproduction is such that any country, however small, could pour out an unending stream of emigrants, surplus to the population-carrying capacity of the country, which would crowd the whole world to suffocation in no long time. The other two solutions are mere palliatives. If the skill is not as advanced as it might be, that is to say if the natural resources of the country are not developed as fully as is possible, then the absorptive capacity of the country can be increased to a certain point without overpopulation. Thus it may be possible to industrialize an agricultural country and increase the amount of employment. Finally, relief may be obtained through emigration if there are relatively undeveloped countries available. It is not necessary that the countries which receive the migrants should be underpopulated; it is only necessary that they should be undeveloped relatively to their capacity for development.

Remembering that a permanently satisfactory adjustment of population in any country can only come about through population control in that country, it is evident that the palliatives for the consequence of overpopulation — population pressure so-called — are related to the adequate and reasonable development of the land surface of the world. It is doubtful whether there are considerable areas anywhere which are underpopulated, having regard to the existing economic organization and skill of the inhabitants. But there are vast areas which are relatively undeveloped, which could (that is to say) support much larger numbers without overpopulation. There is a good case for holding that these areas should be made to bear their fruits. The rest of the world will not tolerate indefinitely the failure to use them fully in the common interest. It is therefore possible to be skeptical about the supposed restlessness of overpopulated countries on account of their exclusion from these regions, and at the same time to allow that there is a claim in justice for the palliation of their condition by creating appropriate facilities for emigration. Population pressure thus appears as a problem for international

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

statesmanship, not because it is a prominent cause of international friction, but because there are countries which need development and there are peoples with a surplus population apparently available for this purpose.

It is usual to begin the discussion of population pressure by examining those countries which are supposed to suffer from it. But since the core of the problem from the international point of view is the existence of undeveloped regions, it is logical to consider them first. The undeveloped areas can, it is clear, afford no more relief than they are now giving if development is proceeding as rapidly as is compatible with the maintenance of a proper standard of living. These areas fall into two fairly well defined classes. There are those which are being rapidly developed, by which is meant that modern technique and economic organization is being energetically employed, and there are those where this is not the case. The vast overseas settlements of the European peoples fall within the first class. The settlers have welcomed immigrants, and since the average annual rate of increase has approximated two percent for more than half a century,[1] it is clear that no greater amount of relief to overpopulated countries could have been afforded. Immigration into these countries has not been unrestricted. There have recently been restrictions as to numbers but unless these restrictions slow down development well below the possible rate, there is no complaint to be made on that account. There have also been restrictions upon race. There is a good case for such restrictions on the ground that a homogenous community cannot otherwise be built up. But if the case is admitted, its implications must be realized (as will be mentioned later).

If we now extend our gaze to take in the position of the races of European descent as a whole, we find that the great majority of their members are still living at home. There are only some 160 millions in the great new overseas estates. Members of the white race are thus very unevenly distributed, but it is difficult to demonstrate anywhere the existence of serious overpopulation. Some degree of overpopulation may be suspected in Italy. In the case of other European countries there may be some excess of numbers. But the birth rate is declining everywhere in Europe except in the east; as Dr. Kuczynski has shown, there is no longer a replacement birth rate in northern and western Europe. The

[1] In North America and Australasia; figures are not available for South America.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

signs of the times point to a cessation of increase and even to a decrease of population. On the other hand, the undeveloped countries of European settlement could in time carry far larger numbers at the existing standard of living. Europe and the European settlements overseas could in fact provide the essential foodstuffs and the indispensable requisites of industry for far larger numbers of persons of European descent than we need to budget for. It should therefore not be too difficult a task to relieve what is likely to be only temporary pressure in certain countries by providing facilities for overseas settlement. If it appears on the basis of experience that northern and southern Europeans do not harmonize well, there is North America and Australasia for the northern Europeans and South America for the southern Europeans. There is now a problem of the proper distribution of the peoples of European descent but it may well turn out that the real difficulty will ultimately be the adequate peopling by persons of European stock of the whole of this vast region, and of Australia in particular, rather than the inability to provide relief.

So much may be granted and yet it may be said that it is not enough because some European countries, from which many emigrants go, have no overseas settlements of their own. Territory should be found and handed over to them. So argues one school of thought. There is no substance in this point. In so far as it is suggested that all civilized countries should share in the control of undeveloped countries inhabited by colored races, the case may be good. It may be that Germany should have mandates for her former colonies. But this is a political claim which can be advanced with as much justice for any civilized country whether overpopulated or not. So far as overseas white settlements are concerned, the facts are that they achieve virtual independence sooner or later and that, even when under the flag of another European nation, there is no reluctance to go to them on that account.

The remaining undeveloped countries are almost exclusively inhabited by persons not of European descent though mostly controlled by European nations. Development is not now proceeding rapidly on the initiative of the present inhabitants. In varying degrees development by the indigenous inhabitants is encouraged by European governments. But it must be a slow process at the best, and there may be some doubt as to the capacity of certain races to make the fullest use of their territories. Since

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Europeans have enough for themselves, it is only reasonable that, if alien races are to take a share in development, they should not be of European descent. May it not be argued therefore that somewhat in the same manner, though not with the same ruthlessness, as Europeans pushed aside the primitive Australians, overcrowded races of non-European descent should be encouraged to enter and occupy these territories?

There is no space here to enter upon a review of the position and prospects of these various countries. They differ greatly in their potentialities. There is little reason to suppose that those peoples bordering the eastern Mediterranean and situated near the site of the first civilizations could not, if so minded, once again take a prominent part in civilization, with or without guidance. With regard to other peoples, it may be that without guidance and encouragement they would do little on their own account in the direction of development. But who would be prepared to affirm that if the African races were given help they would be unable in time to utilize to the full their resources? It may be more doubtful in the case of the East Indies and New Guinea. What, then, should be the policy of the European governments upon whom the responsibility rests? Let us remember that the most prominent countries of European stock have pronounced, so far as they are directly concerned, against the experiment of communities of diverse race. If the principle is sound, has it not wide applications? Take the case of Africa south of the equator. Would the introduction of Indians make for a homogenous community? Such a result is certainly doubtful, and if those Europeans who are responsible encourage such a movement, they may well ask themselves what the Africans of two generations hence may say. May they not be likely to reproach those who put such a policy into force? "Why," they may say, "did you not give us the opportunity to develop the lands of our forefathers? It was the mere chance of geographical isolation which made us backward at that time. You have left us a wholly unnecessary legacy of racial troubles." Moreover, such doubts are not based upon pure speculation. The example of Palestine is before our eyes. There the British Government has pledged itself to a policy of development by the immigration of an alien race bringing advanced technique. The result is far from encouraging.

What, then, is the position of the non-European peoples among whom overpopulation is suspected? There is much doubt as to the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

figures for the population of China but none as to the condition of the population. Overpopulation of a gross nature is widespread, with the result that the mass of the people are at subsistence level. There are considerable resources awaiting industrial development, though there are serious obstacles. But China is unusually fortunate in that there are large areas within her boundaries awaiting agricultural development. Now that the barriers to immigration have been removed, Manchuria (which has already taken several millions) could, it is stated, absorb another 20 millions. There is also Inner Mongolia which, according to Dr. O. E. Baker, only awaits the adoption of power agriculture in order to support a hugely increased population. China can therefore find a certain palliative for her troubles at home.

India is not overpopulated to the same extent as China. Taking a long view, some increase in material wellbeing has accompanied the growth of population in India. But that does not show that the people would not be better off if there were fewer of them. The very small average size of farms is noteworthy. Moreover there are indications that this improvement is coming to a standstill. Certain calculations show that the real income has recently diminished. In any case, the proportion of the occupied population supported by industry has recently markedly decreased. This last fact is important not only as showing that more persons are being forced to look to the land for subsistence, but also as throwing serious doubt upon the possibility of relieving the pressure by industrialization. Therefore the problem of relief by overseas emigration arises. Very much the same may be said of Java, the position of which in these respects is roughly parallel to that of India.

Japanese economists tell us that the real income of the people has doubled since the end of the exclusion period. The standard of living is higher than in the other Asiatic countries mentioned. But again, as in the case of India, this does not mean that the income would not have risen more quickly had the population not increased so fast. There are in fact several clear indications that Japan is somewhat overpopulated. Some figures for the last few years tend to show that the economic position of the people has not improved and that the pressure on the land is increasing. It is sometimes suggested that there is a way out for Japan in the direction of industrialization, but this is based upon erroneous

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ideas as to the resources of the country in respect of all those materials which are essential to industry. Thus in the case of Japan overseas movements have to be considered as offering opportunities for relief.

If migration is to afford any effective relief it must remove a very considerable fraction of the excess of births over deaths. This is evident when we remember that the assumption that these countries are overpopulated implies that the removal of the entire annual surplus would merely prevent any increase of the pressure. What, then, is the magnitude of the undertaking? During the last decades India has had an annual surplus of about 3 millions. Japan and Java have had annual surpluses of about a million each. East Africa has been suggested as a home for the overcrowded natives of India. But to move annually more than a few tens of thousands of Indians is quite beyond the range of what is physically possible, to say nothing of the difficulty of settling the Indians when they arrive. The very little that the capable and energetic Dutch Government has been able to do in the direction of moving Javanese to Sumatra is a good example of the difficulties. Nothing is more certain than that, with the best will and the utmost energy, only a small fraction of the annual surplus of these countries could go overseas. The fact is that the relief which emigration can afford to overcrowded countries is hugely exaggerated in popular estimation. Ireland is the exception which proves the rule. In that case a very small country found relief because there existed overseas a new country of vast dimensions in the early stages of development. There is no parallel between Ireland and the cases we are considering.

It is also relevant to ask whether, if the surplus was removed in whole or in large part, there would be any more likelihood than at present of a check being placed upon reproduction. If not, then the whole movement would be rendered futile. From what we know as to the way in which these matters work out, it is unlikely that the advent of a check would be hastened. Does anyone suppose that the migration of millions of Chinese to Manchuria has encouraged restriction of families in China? Most probably the situation has only been relieved momentarily. Therefore the problem for statesmanship is to balance the faint help that could be given by migration against the danger of creating a situation which may lead to a legacy of future trouble. This danger is not so great in some regions as in others — not so great in the East

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Indies, for example, as in East Africa. But it remains true that such movements are never without risk.

Most of the discussions of population pressure are based upon an erroneous diagnosis. Territorial ambitions and jealousies abound, but they can seldom be traced to population pressure. To remedy the situation it may be expedient to adjust frontiers and areas of control. But that is a political remedy for a political disease. The economic disease of overpopulation can seldom be so dealt with. Nor do overpopulated nations as a rule demand this remedy. The demand of the Indians is for treatment consistent with a dignified status among the nations rather than for new Indias overseas. Japan has attained a position of dignity and there are few if any signs that her population difficulties are causing her to desire the founding of new oversea Japans. There are only too many real causes of international friction and we need not plague ourselves by imagining others which do not exist. What we have called the population situation is a cause of difficulty and will remain so until political education reaches a higher level and nations attain to better manners. The existence of underdeveloped countries is another source of difficulty. Overpopulation, though it exists on a large scale and is a terrible scourge to nations subject to it, hardly enters directly into the problems with which international statesmanship has to deal.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SIAM IN THE MODERN WORLD

By Eldon R. James

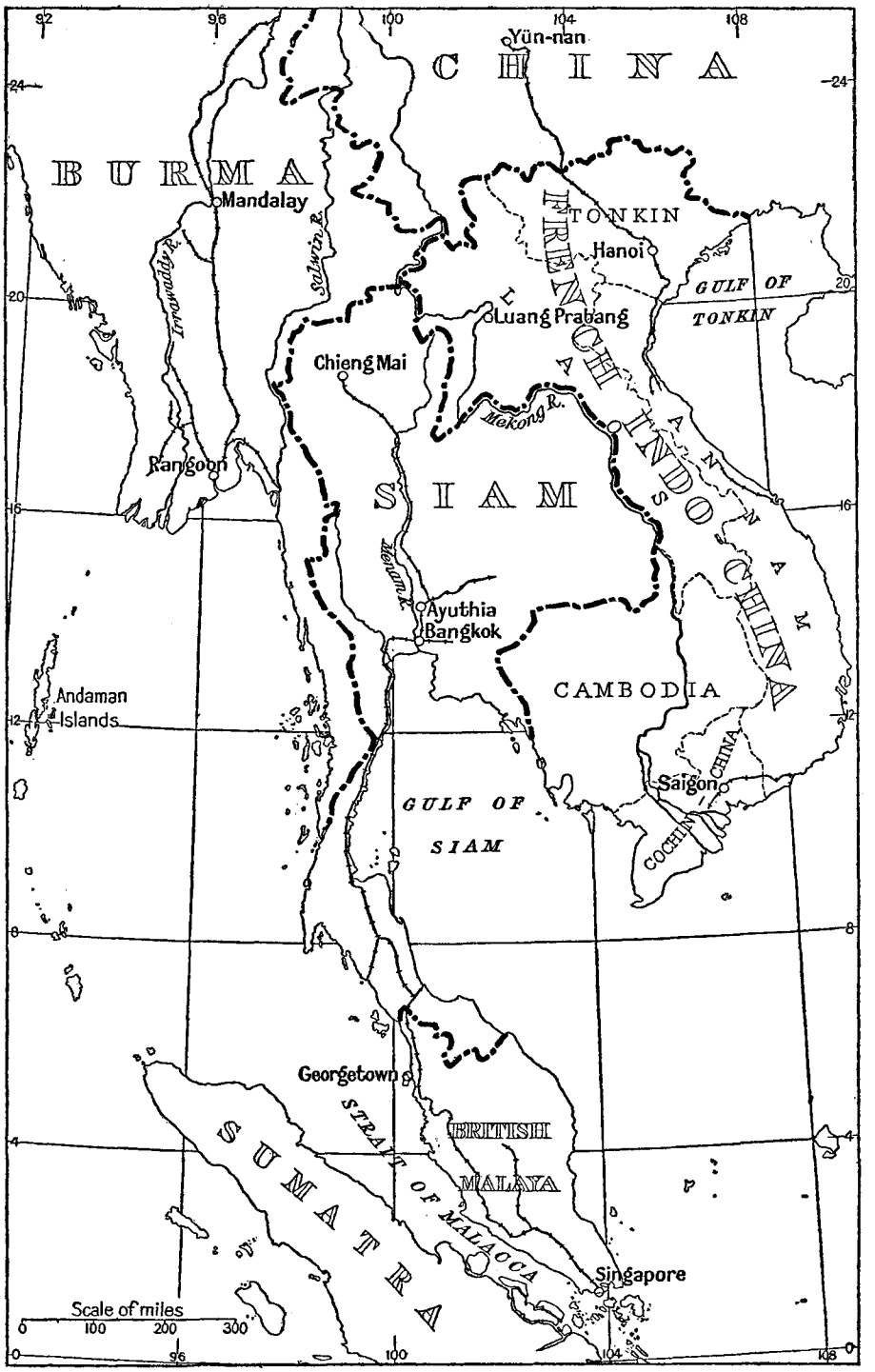
SIAM has the distinction of being the only independent state in southern Asia. Its neighbors have all fallen into British or French possession; Siam alone has escaped. To produce this result many causes have contributed, not the least of them chance. But chance has not been the only factor. In the nineteenth century though the British and the French quarrelled about Siam, their desire to have a buffer between their possessions played a considerable part. After making allowance for all such influences, however, we are forced to conclude that Siam today would not be free if it had not been for the enlightened statesmanship of its rulers.

Modern Siam borders on the south, west and north upon British territory and on the east upon French. Its population today is about 11,000,000, of which nearly a million are Chinese immigrants and their children. The Siamese themselves are of the same racial stock as the Chinese and speak a monosyllabic tonal language of the Chinese group. This language, however, has been written since the latter part of the thirteenth century by means of an alphabet derived from the Cambodian, which in its turn was derived directly or indirectly from the Sanskrit.

The original homeland of the Siamese is southwestern China, below the upper Yangtze, where they lived in a powerful, independent kingdom, known in the Chinese annals as Nan Chao, which lasted until its destruction by Kublai Khan. Even before this occurred there had undoubtedly been an infiltration of Siamese (or Thai, to give them their proper name) into what is now northern Siam and French Laos, but it was only after the defeat of Nan Chao by the Chinese that there occurred the first immigration on a large scale of the Thai people into Siam. Central Siam was then occupied by the Khmers, whose capital was at Angkhor, and western Siam was part of the Mon Empire, established in southern Burma. The Siamese were able, however, to maintain themselves in their new home.

The history of Siam as we know it today begins in 1350, with the founding of Ayuthia, the old capital. The Siamese kingdom grew to embrace all of present-day Siam and large parts of Malaya, Burma, French Laos and Cambodia. Ayuthia remained the capital

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

until 1767, when it was taken and destroyed by the Burmese in a war which shattered the Siamese power. What was left of the Siamese forces gathered together under the leadership of a Chinese, Phya Tak. In 1782, after the death of Phya Tak, who left no successors, the present dynasty, the Chakri, came to the throne, and has occupied it continuously since. The capital was transferred to Bangkok, then a small fishing village, about forty miles south of Ayuthia. Temples and palaces were built and a modern city was gradually developed. Today Bangkok has a university, schools, hospitals, public buildings, wide tree-shaded avenues, a modern water supply, and the conveniences and necessities of a great capital.

The present monarch, King Prajadhipok, is the seventh of the Chakri dynasty, having succeeded his brother, Rama VI, in 1925. They were sons of King Chulalongkorn, who died in 1910 after a reign of more than forty years; his father, in turn, had been King Mongkut, who came to the throne in 1851 and under whom what may be called modern Siam began its development. The kings of Siam are absolute monarchs. There is no legislature and the source of all justice is the king's will. While this is true theoretically, the king in fact rules very much as would a constitutional monarch.

Before Mongkut's accession to the throne in 1851 Siam was practically closed to foreign trade. Although a few foreigners had been permitted to open commercial establishments, the king monopolized foreign trade, except in those few instances when monopolies in particular commodities had been granted or when permissions to trade had been given. The restrictions on such foreign trade as existed were burdensome and trade on any considerable scale was impossible. Efforts to change this situation had been made in the reign of Mongkut's father, by Great Britian in 1825 and the United States in 1832, but these treaties had no practical results.

At the beginning of King Mongkut's reign Great Britain was launching an active penetration in Burma and Malaya and France was equally busy in Annam and Cochin-China. Mongkut was therefore confronted with the problem of how best to face the rising tide of European aggression without an army or a navy trained and equipped to meet European forces. It is evident today that resistance would have been futile. Perhaps the inevitable might have been postponed by diplomacy, but it is characteristic

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of King Mongkut that he did not rely upon armed resistance or diplomatic obstruction. He decided to bend before the tempest and he did so without bluster or equivocation. He had been, for an oriental monarch of his time, extraordinarily well-prepared to understand the western mind. For twenty-five years he had been a Buddhist monk, and with shaven head, yellow robe and begging bowl he had travelled, as monks do in the dry seasons, over the length and breadth of the land. Not only had he come to know the people over whom he was later to rule in all the simple affairs of their daily lives, but he had come into intimate contact with many westerners, chiefly American missionaries, from whom he had learned English, Latin and something of modern science. Thus he was able to comprehend the strength of the west and the imminence of the danger which threatened his country. Almost as soon as he came to the throne, and against the opinion of many of his officials, Mongkut began a correspondence with Sir John Bowring, the Governor of Hongkong, which led to Sir John's mission to Bangkok and to the treaty with Great Britain of 1855. This treaty provided for a 3 percent tariff and laid down that all British subjects in Siam should be exempt from the jurisdiction of Siamese courts and Siamese law and should be judged by the British consul. In the next year a similar treaty was made with the United States. Rapidly other treaties of the same general nature were entered into with most of the European Powers. Extraterritoriality and a 3 percent tariff became established facts in Siam.

For the fifty years thereafter the major objective of Siamese policy was to be the modification and ultimate abolition of these two clogs upon Siamese independence.

Mongkut had for the moment saved Siam. It was not his intention, however, to grant extraterritoriality and a 3 percent tariff and then stop. He realized fully that these concessions alone were not sufficient to secure for Siam immunity from absorption or partition. Siam must be made over into a modern state, but gradually and by Siamese, not forcibly by Europeans. While western ideas and methods must be taken over, the old values which lay in Siamese culture must not be destroyed. Siam must maintain its integrity as a nation and must never cease to be Siamese.

It is interesting to see what Mongkut's first step was. This was to provide for the education along western lines of his successor, Chulalongkorn. Mrs. Leonowens, a schoolmistress in Singapore,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was called to Bangkok, "to do," as the king expressed it in quaint but unmistakable English, "English education and not Christian religion upon my Royal Children." Later, other tutors continued the work which Mrs. Leonowens had begun. Chulalongkorn was only fifteen years old when he ascended the throne, but as soon as he attained his majority, so thoroughly had he been imbued with his father's ideas, he decreed that all of his brothers must, whether willing or not, have an education. They might choose an English education or a Siamese one, but educated they must be. Later, members of the Royal Family, and others of the king's subjects, were sent to Europe, sometimes to spend many years. The young king continued his own education by going to India very early in his reign to see for himself the workings of the British administration. Among his brothers the king later found the administrators who were to make over the mediæval structure of Siamese administration and create, under his direction, a really modern state.

Up to this time Siam had been merely a mediæval Asiatic monarchy. Although mildly administered, it was nevertheless a despotism of the old style. There had been practically only one government ministry, presided over by an official, the Phra Klang, or Barcalong, as the title is spelled by European writers of the seventeenth century. This official was a combination of lord high treasurer, minister for foreign affairs and the king's trade representative. In 1885 a ministry for foreign affairs was established, and in 1892, at a time when Siam was seriously threatened by the French, who succeeded in obtaining Luang Prabang and the Siamese territories east of the Mekong River, the general reorganization of the other branches of the administration took place. There are now Ministries of the Interior, of Justice, of Finance, of Public Instruction, of Lands and Agriculture, of Commerce and Communications, of War and of Marine. The same year, 1892, also saw the creation of a Cabinet Council.

A hierarchy of courts, from police courts to a supreme court, was established. A modern law was created, partly by the enactment of statutes upon single subjects, and partly by codes. The Penal Code was promulgated in 1908, and a large part of the Civil and Commercial Code has been in force since 1923. The Siamese courts are independent and the king does not interfere in the administration of justice, except that all judgments involving capital punishment must be approved by him before execution.

Railroads, owned and operated by the state, have been built

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

connecting the northern and southern extremities of the country. There are also two lines towards the French frontiers on the east. Large irrigation works have been completed. An extensive program of public education has been put into operation, and compulsory school attendance exists in many parts of the country. The army has developed a large flying service, which is used for civil purposes, such as the carrying of passengers and of the mails. The finances of the kingdom have been for many years stabilized. Theoretically there is no distinction between the public revenue and the private income of the king; but in fact this distinction has existed for a very long time. The king's civil list is budgeted and is under the control of the Ministry of Finance. The national debt is entirely for productive purposes and is small. The railroads pay their own interest and sinking fund charges and in addition turn a surplus into the treasury.

Even this brief statement shows how far Siam has departed from the mediæval government of 1851. It may seem that a long time was taken in the development of a modern administration, but it must be remembered that at King Chulalongkorn's accession there were no educated Siamese old enough to undertake the work of making over the government to conform to western standards of organization and administration. The future ministers and their staffs had first to be found and then trained throughout, not only in the technique of modern administration, but also in the comprehension of the very conception upon which it is based. The astonishing thing is that so much has been done with means which at first looked so unpromising.

In accomplishing this task many Europeans have been used. The tradition of the foreign adviser and official is an old one in Siam. Even in the sixteenth century Indian legal experts were called in to revise the ancient Siamese laws, and in the seventeenth century a Greek was the chief minister of one of the kings and many Englishmen were in the Siamese service. Much assistance was given the young king, Chulalongkorn, by various foreigners, in and out of his service, and in 1892 Rolin-Jaecquemyns, a Belgian jurist of distinction, became the first General Adviser. In 1903, he was succeeded in this office by Professor Edward H. Strobel, Bemis Professor of International Law in Harvard University. The next General Adviser appointed after Professor Strobel's death was Jens I. Westengard, another American, a professor in the Harvard Law School. After Professor Westen-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gard's retirement in 1915, the title of the office was changed to that of Adviser in Foreign Affairs, all the incumbents of which have been Americans; the present one is Raymond B. Stevens. Many foreigners were employed in the judicial service and in various technical branches of the administration. Foreigners also served in the Diplomatic Service and in the Ministry of Finance. Today, scattered through the various ministries and departments, there are to be found American, British, French, Belgian, Italian and Danish employees. There is an understandable tendency, however, to replace foreigners with Siamese, whenever Siamese adequately trained for a particular work can be found, though the Government wisely intends to keep foreigners in its service, particularly in the courts, for an indefinite period.

By 1919, the Siamese Government felt that the reforms in the organization of justice, the development of a modern system of law, the improvement of the general administration of the country, the stability of its finances, and its advances in public education — all of these actually in force for a sufficiently long period of time to prove their permanency — justified an appeal to the individual treaty Powers for a complete revision of the old treaties. In a few instances the treaties had been modified in important respects, but a complete revision had not been made. The old system was interfering with the administration more than had been the case in the past. Extraterritoriality was preventing the fulfilment of international obligations assumed in the treaties of peace concluded at the end of the World War and the 3 percent tariff was depriving Siam of a source of revenue badly needed to carry out the educational program decided upon. Siam felt that as a modern state, a member of the newly formed League of Nations, it had demonstrated both the desire and the ability to share fully in the life of the international community. A complete revision of the old treaty system was the next logical step.

Siam entered the World War in 1917 on the side of the Allied and Associated Powers. Thus the treaties with Germany and Austria-Hungary were abrogated. It was not possible to accomplish anything in the way of treaty revision at the Peace Conference, but the sympathetic interest which President Wilson expressed to the Siamese Delegation led to the opening of negotiations at Washington in the autumn of 1919. As a result of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

these negotiations, a treaty between the United States and Siam was signed at Washington on December 20, 1920. This treaty provided for the abolition of extraterritoriality, subject to the reservation that the consul might withdraw cases involving Americans from the Siamese Courts and try them before himself if, in his opinion, justice was not being done. This privilege, which has never been exercised, was to last until five years after all the Siamese codes had been promulgated. The 3 percent tariff was abolished and replaced by a most favored nation clause. The treaty was approved by the United States Senate and ratifications were exchanged in Bangkok on September 1, 1921. The United States was thus the first great nation to recognize the aspirations of Siam. Its example was quickly followed by the other treaty powers. Japan, which had simply had a most favored nation agreement with Siam, signed a similar treaty in 1924, and in 1925 and 1926 treaties on the same model were made with Belgium, Denmark, Great Britain, Italy, the Netherlands, Norway, Portugal, Spain and Sweden.

The old system had come to an end. Siam had secured its recognition as a modern state. It had met the west and had not been submerged. A new state had developed in place of the mediæval one of King Mongkut's time. And yet, notwithstanding the assimilation of western progress, Siam remains Siamese. The best of her own ancient culture is intact.

Siam's relations with the western world seem to be settled, but there are problems developing in other quarters. The presence in the country of nearly a million Chinese, who do not become identified with the national life, raises difficult questions, and these are not rendered less troublesome because of the development of an intensely nationalist spirit in China. However, there is no reason to feel that statesmanship is extinct in Siam, and the same wisdom which guided the country through the turbulent years of European penetration will be applied to solve this, the most pressing and acute problem in Siam's present-day international relations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

OIL, GREAT BRITAIN AND THE UNITED STATES

By Arthur C. Veatch

WHATEVER may have been the causes for friction in the past between the American and British Governments growing out of competition for control of petroleum supplies — and I shall endeavor to trace and illustrate some of the factors involved — these have been temporarily swept away by the realization that the world resources of petroleum are really very large. Even the most skeptical have been forced to take account of the fact that at the present time there is more petroleum being produced in the world than the oil companies know what to do with, and that the additional supply in sight and subject to quick production is so large that the problem of the moment is not "Where can we get petroleum?" but "How can we dispose of what we have at a profit?" Thus, instead of a competition for the control of oil supplies involving aims or actions productive of international friction, we are dealing at present with the more simple matter of competition for the disposal of a commodity of which for the time being there is an oversupply.

For many years there has been a popular belief in the United States that the petroleum resources of this country were being depleted to meet the world's needs for oil, and this led to the growth of a view that vital national interests (as distinct from national interests in normal business competition) required that foreign sources of supply be developed and controlled. But today both foreign and American petroleum deposits have been so extensively and successfully developed that there is a growing demand for a protective duty on foreign petroleum and petroleum products imported into the United States. This involves possibilities of international friction of a different character in which the issues are not primarily between the United States and Great Britain.

Another factor has reduced what a few years ago was considered in many quarters as an international question with grave possibilities to its present simpler aspect of mere business competition. This is the fact that Great Britain now controls important and widespread sources of petroleum. Great Britain has complete ownership, either directly or indirectly, of the very

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

large developed and undeveloped oil resources of Southern Persia; she has control and majority ownership of the important Mesopotamia region; she has one-half of the production of Venezuela and one-third of the production of Mexico; and in our own country there is a British company, alleged to be controlled by the British Government, which since the beginning of the Great War has acquired rights and properties placing it among the first half-dozen oil producing companies in the United States.

It may be interesting in this connection to point out that the enormous concession in Persia, carrying with it entire control of that major oil region, was obtained by an Englishman in 1901. It was offered to the Standard Oil Company and refused by it before the British Government became interested in 1914. Under the arrangement which then materialized the British Government now has over £5,000,000 invested in the company, has voting control through common stock ownership, and has two Government-appointed directors on the board with absolute veto power. The British control of Mesopotamian oil represents a particularly noteworthy triumph of British diplomacy and business.

The British position in Venezuela comes through concessions obtained by an American company and sold by the American company to the Royal Dutch Shell.

The present British position in Mexico is a direct result of orders of the British Government. Lord Cowdray was one of the pioneers in Mexican oil development. The other was Mr. E. L. Doheny. Each was markedly successful, and there grew up the great British Pearson-owned Mexican Eagle Oil Company and the American Doheny-owned Huesteca. One about kept pace with the other. In 1916 negotiations between Lord Cowdray and the Standard Oil Company resulted in the establishment of a mutually satisfactory basis for the sale of the Mexican Eagle Oil Company to the Standard Oil. The British Government then intervened and prohibited the sale of the Mexican Eagle Oil Company to the Standard, invoking the all-powerful Defense of the Realm Act. But in 1919 it permitted the sale to the Royal Dutch Shell. It has been alleged, and many times officially denied, that the Royal Dutch Shell is controlled by the British Government. Whether this is true or not is known to only a few people, but considerable weight is lent to the allegation by the action of the British Government in the case of the sale of Mexican Eagle Oil.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Some twenty or more years ago there was made a very comprehensive estimate of the coal resources of the world, including the United States. Conditions with respect to coal were such that this estimate could be made in millions of tons with a reasonable degree of accuracy. An attempt was then made to do the same for oil. This was stepping from the known to the unknown. The conditions with respect to oil were so fundamentally different that no estimate in figures of the undeveloped oil resources of the United States, or of the world, could give any approximation of the truth. Estimates of undeveloped oil reserves were based on analogy, which could only give figures misleadingly low. Figures nevertheless were made up by one of our Government bureaus and, despite unavailing protests, were given wide publicity. It was a publicity stunt indulged in for the accomplishment of certain minor ends, without due consideration for the major ramifications and costs. The estimates were quickly divorced from the carefully qualifying statement which accompanied them, and became responsible for such scareheads as "Oil Supply of United States Will Last Only a Decade or Two" or "United States Faces Imminent Exhaustion of its Oil Supplies."

The result in other countries, including Great Britain, was to increase the number of the sincere but misguided patriots who believe that, since oil is a necessity of modern life, whatever oil there may be within the territory of their nation, or in territory controlled by it, must be conserved and developed by their own nationals. And there began to develop in Britain the policy of excluding all but absolutely British interests from working in British territory or colonies, such as Trinidad. The war developed this idea a step further, and we heard of the doctrine that "since oil is a prime necessity in case of war, we must keep all the oil which occurs within our own territories and get hold of everything we can outside." Thus at the close of the war we saw the British Government contributing £3,000,000 from the Government Treasury to the Government-controlled Anglo-Persian Oil Company, and authorizing the appeal to the public for a still larger amount, which was provided, for the purpose of securing oil properties and rights throughout the world. For this the British found their own form of government very useful, and they also found to their advantage the fact that under our form of government it is politically impossible for the American State Department to do for its nationals what the British Foreign Office

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

does for British nationals. In fact, the Chairman of the Board of the Anglo-Persian said publicly, very frankly, in 1925: "The difficulties in which American interests find themselves arise from the uncertain diplomatic support they receive."

But let us return to the matter of estimates. It has long been my view that the undeveloped oil resources of the United States and the world were grossly underestimated, that in fact the oil resources of the world were large beyond any computation possible from the available data. In 1922 I suggested, when asked as a member of the Committee on Foreign and Domestic Mining Policy of the Mining and Metallurgical Society to report on petroleum, that I be permitted to name a sub-committee in which, among others, there would be included the senior geologist of the Geological Survey, who had been closely associated with the estimates given out by that Bureau, the Chief Petroleum Technologist of the Bureau of Mines, and in particular those with whom I had differed with regard to the published estimates. It was my desire to see if there was not some formula on which we could agree. The unanimous report of this Committee was made early in 1923, when for the preceding three years our exports of petroleum and petroleum products had been much less than our imports — in fact, in 1922 our imports of petroleum had been approximately twice our exports. The report contained this statement:

> The oil resources of the world are doubtless much larger than the recently published estimates, and improved methods of recovery should enormously increase the difference. It is now demonstrated that commercial petroleum can occur in sedimentary rocks from the Cambrian to the youngest, if the alteration has not gone too far, and in any structural position. The sedimentary rocks occupy the greater part of the earth's surface. Those found in the United States are but a small part of the sedimentary rocks of the world as a whole. It is only in the United States that these sedimentary rocks have been extensively developed for oil, and great as the development has been here the oil in the sedimentary rocks in the United States is by no means exhausted. The conclusion may be stated proportionally: As the ultimate production of the United States is to the area of sedimentary rocks of the United States so the ultimate total oil production of the world will be to the whole area of sedimentary rocks of the world.

I lay emphasis on the really large amount of undeveloped petroleum in the United States and the world, because if there are large quantities of it widely distributed there is less opportunity for narrow-minded nationalism to produce friction over

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

oil than there is in the case of other minerals which are fundamentally connected with modern civilization and which are less widely and abundantly distributed. In the case of all minerals, including petroleum, the economic principle is that it would be to the advantage of all nations and of mankind in general if absolutely no restrictions were placed on the nationality of the individuals or companies concerned in their exploration and development.

Propagandists often utilize American idealism to further their own ends. To many Americans the word "concession" means, as it did to President Wilson, something that should not be. There are bad concessions and good concessions, just as is the case with other forms of contracts, but in the United States the word has come to have a meaning quite different from its real one. There have been quite a number of concessions in the United States enacted by our Congress and our State Legislatures, but they have been called by other names and many of them have been most helpful to the country. In Mexico, however, in President Wilson's mind and in the mind of Ambassador Walter Hines Page, as recorded in his "Life and Letters," terrible concessions were in some way responsible for all of Mexico's troubles. The fact was that President Diaz in his effort to secure and promote the development of his country was most sympathetic and helpful to all companies. In the case of Lord Cowdray, President Diaz granted concessions for petroleum covering large areas of public lands. This encouraged Lord Cowdray to spend a large amount of money in Mexico searching for oil. In fact he spent about £2,000,000 in development before he secured commercial oil, and then it was on private land, not on the concession, that he secured the oil. Nothing of any commercial importance was found on the concession areas, which merely served the purpose, useful to Mexico, of securing an extensive exploration, an investment of large sums in the country, and the development of its resources. All the oil of the great Mexican Eagle and Huesteca Companies was being produced from private lands when the period of order and prosperity under Diaz passed into the succeeding disorder and chaos.

On this matter of concessions the Petroleum Committee of the Mining and Metallurgical Society of America, which I have alluded to, reported:

> There is both necessity and economic justification for the granting of an exclusive but properly safeguarded exploration concession to induce and war-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rant the expenditures required for adequate work in new regions. When such concessions contain a stipulation that within a limited period of say from three to five years the holder must select for retention a small percentage of the original exploration area, the result is development without exclusion.

Whether the large exploration concession for oil covers all the country or one-half, or one-third, or a smaller fraction, is largely a matter of the size of the country. In a country covering ten thousand or twenty thousand square miles conditions may often exist which make it economically sound to grant an exploration right to petroleum covering the whole of the country. Such an exploration right in a new region, if it provides that the concessionaire at the end of three to five years must select one thousand or two thousand square miles, cannot lead to any serious exclusion of other interests. If the area is an important oil-bearing region there is no possibility of the concessionaire selecting all the good oil lands, and in the part that is not selected there will be oil of equal or possibly greater importance than in the parts chosen. It is impossible for a country to create an effective petroleum production monopoly, except by granting all of its land to a single company for a long term of years.

Some have felt that large exploratory concessions, even with the selective factor, were a violation of the doctrine of equal opportunity and the open door, but this reduces itself to the ultimate absurdity that if this view is correct the disposal of any tract of land means that everyone cannot work on that tract and is therefore a violation of the principle mentioned. Such a false application of the doctrine means stagnation, not development, and is a more effective closing of the door of development than the restrictions on nationality of ownership which have been responsible for natural, though deplorable, international friction.

This matter of concessions has been productive of some of the friction between the United States and Great Britain over oil. It may be well, then, to mention briefly some of the oil concessions in which in one way or another both countries have been concerned.

The Darcy Concession in Southern Persia, granted in 1901 and which is the property of the Anglo-Persian Oil Company, is open to criticism in the respect that it contains no selective clause. It has resulted in the development of a most important oil region and the production of large revenue to the Persian State. If it had contained a provision for the reduction of area by selection at the end of an exploration period, many other companies would be working in the region today and the result would be development without exclusion.

The concessions in Venezuela obtained in 1910–1912 by the General Asphalt Company, and then transferred to the Royal Dutch, covered practically all of Venezuela, but provided for selection at the end of an exploration period. The result is that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Royal Dutch today has about half the production of Venezuela, but only a small fraction of the total oil resources of the country. Many other companies are engaged in operations in that country. The large General Asphalt concessions induced the expenditures necessary for proving the oil in that region, and the rest followed.

In Costa Rica there is an interesting illustration of the development of one of the official attitudes of our government regarding Latin-American affairs and concessions. In one of the changes in government which occur from time to time in those countries, Tinoco became President of Costa Rica. Had it been possible to hold an election in Costa Rica at that time with full safeguards for the free expression of opinion, Tinoco would have received an overwhelming majority of the popular vote. But to the Wilson Administration he was a revolutionary president, he could not be recognized, and the Administration publicly warned all Americans that no acts, contracts or concessions by the Tinoco government would be considered valid by the United States. Notwithstanding this, Amory and Son of New York secured a petroleum concession, which was sold to a Canadian company. Recognition of Tinoco would have continued the condition of Costa Rica as one of the most prosperous, peaceful, law-abiding countries in Latin America. The failure to recognize the Tinoco government led to a period of disorder, the overthrow of Tinoco, and to a series of events which put Costa Rica in a much worse condition than it had been in previously. The new government was promptly recognized by the Wilson Administration, and one of the first acts of the new Costa Rican Congress was to declare void all acts of the Tinoco government. Great Britain protested this cancellation of the Amory Concession and the State Department sustained Costa Rica, pointing out to the British Foreign Office that the concession had been granted initially to an American Company and that the State Department had warned all Americans that it would not recognize any acts of the Tinoco government. Finally an arbitration was arranged between Costa Rica and Great Britain, with Chief Justice Taft as arbitrator. In his decision of October 18, 1923, Chief Justice Taft held that the recognition or non-recognition of the Tinoco government was of no importance in determining the validity of the acts of that government. He added it was not for the arbitrator to discuss the merits of the policy of the United States "for the reason that in his consideration

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of this case he is necessarily controlled by the principles of international law."

A good deal of discussion went on after the war about the measures taken by Great Britain to exclude foreigners from prospecting for oil and developing oil within British territory. After some years, and in deference to this agitation, Sir John Cadman, who as chief petroleum executive had been among those primarily responsible for the adoption of this policy and who had in the meantime been made Chairman of the government-controlled Anglo-Persian Oil Company, was sent to the United States to explain the British attitude to the American oil interests. This he did in substance by saying that Britain had no exclusion policy. Privately Sir John explained that in the heat of the war misguided patriotism had caused Britain to adopt a policy which she now knew was economically unsound.

There is of course a vast difference between the viewpoint of the patriotic business man with special knowledge and experience and the equally patriotic politician or adviser to the government who lacks such knowledge and experience. In this connection I may mention that in 1918 I advised Lord Cowdray, in whose service I had then been for six years, that the plans being developed by the British Government would, if carried out, transform oil exploration and development from being a simple matter of competition between companies, which was perfectly good fun, into competition by one nation against another, particularly by Great Britain against the United States, and that under such conditions I felt I would have to be on the American side of the fence. Lord Cowdray's reply was that I certainly must be mistaken. He said that to exclude foreign capital from exploring for and developing petroleum in British territory would not be in the national interest, for the reason that it would take a great deal of time and money to develop the oil resources of the British Empire; that in carrying out such work it was inevitable that a great deal of money would be spent that would not be productive, perhaps in the aggregate more than would be returned, and that it was better for the nation to have the losses of development shared by foreign capital than to have the whole loss fall at home. He pointed out, too, that the strategic interests of Great Britain required that it encourage in every way the development of oil-fields in its territory, for the reason that in case of war only developed oil-fields had any practical value and that whenever there was a war any

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

developed oil-fields would be immediately mobilized by the country concerned, irrespective of whether the development was due to domestic or foreign capital. In Lord Cowdray's very patriotic but practical mind there was no shadow of doubt that the most complete self-interest and self-advancement dictated that Great Britain should throw the doors wide open for petroleum development through the Empire. My reply was that I fully agreed with him that the policy adopted by the British Government was a foolish one, but that it nevertheless had been adopted. He said that he would make inquiries.

When the Treaty of Peace was finally signed I again brought up the matter with Lord Cowdray and was told that he had made careful inquiries and had been amazed to find that such a policy as I had described had in fact been adopted and that he was even more surprised that naval strategists and the politicians were absolutely set on carrying out the mad and foolish idea.

There is certainly some room for astonishment that international jealousies and misguided national feelings have at times led peoples and statesmen so far from the natural economic course. The most selfish considerations point to the desirability of encouraging mineral exploration and development in every region of the world, and to the importance of placing no obstacles in the way of the operation of natural economic laws which make for efficiency. There seems to be no real reason for friction between Great Britain and the United States regarding petroleum. However, there always will be some friction and this will vary in amount from time to time, because in both countries many things are necessarily determined by politicians rather than by business men and the temporary and local political aspect of any action is more controlling, particularly in our country, than its importance to national welfare.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MINORITIES: A PROBLEM OF EASTERN EUROPE

By C. A. Macartney

WHEN, two years ago, the Madrid session of the Council of the League of Nations reluctantly introduced certain reforms into its procedure for the protection of minorities, the states bound by minority treaties declared these reforms to be final. The problem of minorities was considered as settled. Today, the problem is so far from settlement that it has become more prominent than ever, and it has recently assumed a particularly dangerous form. It has developed into a political struggle which has split Europe into two hostile forces, led respectively by Germany and Poland.

It may seem far-fetched to seek the causes of the political disputes of 1931 in the age of the great migrations; but in fact the connection is immediate and direct. It is in large-scale national migrations, where a whole race, or a substantial part of it, enters the territory of another, that the real minorities problem has its root. The entry of a small body of aliens into a state of firmly-based national institutions cannot give rise to a true minorities problem. Either, like the Huguenots who came to England, they will be easily and inconspicuously absorbed in their new surroundings, or if, like the Jews of Whitechapel and Bethnal Green, they cling to their own culture, their demands will not be on a scale to threaten the national life of their hosts and will easily be conceded to them.

The national migrations ended for Western Europe with the Middle Ages. England, France, Spain, Italy, and also Germany, which in this respect belongs to Western and not to Eastern Europe, have long since become recognizable and individual nations; the earlier components of Celts, Romans, Saxons, Danes, Moors, Italians and the rest are no longer distinguishable within the existing nations except to the ethnologist. For nearly a thousand years no nation of Western Europe has experienced a large-scale national migration. The nearest approach to one was, perhaps, the Plantation of Ulster; and this single and comparatively small exception gave rise to a minority problem which brought the United Kingdom to the verge of civil war in 1914.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In Eastern Europe the period of the national migrations has not fully closed even today. The movements of the Germanic peoples which overran Rome and re-formed the face of Western Europe were themselves, in part at least, occasioned by pressure from other, obscurer nations lying behind them. Behind the German came the Slav, and behind the Slav the Hun and the Turk. Some of the invaders, like the Western and Southern Slavs and the Magyars, settled down permanently in their new homes; others, like the Tatars and the Osmanli Turks, remained for centuries races of alien conquerors, eternal nomads encamped among their settled subjects. Their tide had hardly reached its flood when it began to ebb, and this backward movement is even now in progress. The process of moving the last of the Turks out of Greek Macedonia is going on at this moment, under the supervision of the League of Nations. In the central Balkans it was in full swing during the past century. Rumania is today engaged in what she believes to be the process of clearing up Transylvania after the departure of the intruding Magyars. The Finns, Estonians, Letts and Lithuanians are celebrating the retreat of the Muscovite.

No invasion, not even that of the Mongols, ever wholly wiped out the previous population of the country subjected to it, and similarly, in no retrograde movement do the remnants of the erstwhile conquerors ever wholly vanish. As the tide ebbs and the reefs reappear above the surface there remain behind pools and creeks from the flood which had once covered all. So in every nation of Eastern Europe today we find living side by side the ex-conquerors and the ex-conquered, and with them a very important third category: the colonists from Western or Central Europe who came out to occupy the vacant land, secure the frontiers, and build a dike against the danger of fresh invasion. This process of colonization is one that is little known in the west, but it has been of enormous influence in the history of Eastern Europe, and like the less methodical national movements it extends into quite recent times. The German colonization of what is now northern Jugoslavia dates no further back than two centuries ago; that of the Bukovina to the end of the eighteenth century; that of the Dobruja and Bessarabia less than a century.

These three categories, then — the ex-conquerors, the ex-serfs and the ex-colonists — constitute between them the bulk of the population of Eastern Europe. Their proportions vary. In the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

central plain of Hungary the ex-conquerors form a solid bloc and have become the only and the indigenous population. In the mountainous districts of Bulgaria the ex-serfs are equally compact. In other districts, such as Bessarabia, the three categories are inextricably intermingled; you will find within a few square miles villages of Moldavians, Russians, Ukrainians and Poles; of Turks, Tatars, Bulgars and Gagauz; of Germans, Swiss and French; with Greeks, Jews and Armenians in the towns.

A dominant factor in the whole situation is the extent and importance of the German element. In Eastern Europe it is insignificant only in Bulgaria, Greece and Albania. In Jugoslavia, Hungary and Rumania it is large; in the Baltic States even greater; in Poland and Czechoslovakia it is of supreme importance.

The German element in Eastern Europe belongs partly to the category of the ex-conquerors, partly to that of the colonists. It is doubtful whether it can anywhere be considered indigenous, except in the western parts of Czechoslovakia, while in East Prussia, although it began as a colonization, it has now become native. But in certain countries, notably along the southern coast of the Baltic, the German race advanced as in the Middle Ages as conquerors, thus reversing the usual direction of national migrations, which has commonly been from east to west; and in all the rest of Eastern Europe the Germans have been by far the most numerous and successful of all colonists. While the Englishman, the Frenchman or the Spaniard took ship and set sail to the west, the landbound German loaded up his oxcart and set his face towards the east. From the Middle Ages onwards, there has been a steady stream of German immigration eastward, into the Baltic countries, Poland, Moravia, Hungary, and as far east as the Volga, the Caucasus and Siberia. It is going on to this day; the majority of the colonists who venture into Russia or Turkey as experts of various kinds are Germans.

It must be added that the Germans have in nearly all cases proved an exceedingly valuable element in the countries in which they settled. While the Slav or the Magyar were still seminomadic, or at best rude peasants, the Germans brought with them the conception of an ordered civic life. Almost all the older towns of Poland, Bohemia, Hungary, Rumania and the Baltic States, and many yet further afield, are of Germanic foundation. The Germans were also the chief miners. Most of the mining districts in the Carpathians were for centuries worked by them.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Even in the Balkans there is evidence that the mines of Serbia were largely worked by Germans in the days when Serbia was a great kingdom. A sober, industrious and cultivated people, the Germans were greatly sought after by monarchs anxious to develop and consolidate their dominions; they were invited from far distances to come and settle in the east, and were granted extraordinary privileges to induce them to do so.

This leads on to the second great difference between Eastern and Western Europe: a difference, this time, in political and legal philosophy. The systems of the west are, broadly speaking, based upon Roman conceptions, upon what was so finely expressed by Marcus Aurelius as "the idea of a polity in which there is the same law for all, a polity administered with regard to equal rights and equal freedom of speech." Even if Rome realized this ideal imperfectly, yet the ideal remained — that of the equality of all free citizens within the bounds of the political state. The conception of equality inevitably carried with it that of uniformity, the idea of the assimilation of diverse elements into a homogeneous whole. Applied to nationality, it emerges in the theory of the nationally homogeneous and sovereign state within which strict equality is most easily attainable through uniformity. We see this conception at work today, for example, in France. The Italian and Polish immigrants into France, even the negroes of the French colonies, are encouraged to become "de bons Français," to forget their origin, adopt the French language and culture, and even to intermarry with the true French stock.

This ideal has, in fact, produced the distinctive nationalities of the west; but it is a process which took many centuries to effect, must have caused much distress and hardship, and certainly could not have been accomplished at all without the existence of comparatively stable natural frontiers and the cessation of national migrations. In Central and Eastern Europe, however, this idea is quite new.

Until recently the political thought of these countries was dominated by Germanic and Turkish ideology (the word "Turkish" is used in the widest sense). In each of these systems the basis is quite different from the Roman. For the old Germans, the law did not proceed from the state to the individuals whom the state recognized as its citizens; it was inherent in each individual, and the sum of the individuals in whom the law was vested composed the nation. The law was a personal principle;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

it was this theory that enabled Herder to define the state as "the extension of the family." Thus when they came as conquerors into contact with an alien race, they guarded themselves from contamination by distinguishing that race sharply from themselves and forbidding it access to the privileges reserved for the "nation" proper.

The Turkish system, in practice, draws this distinction even more sharply, for the Turks appear everywhere as conquering nations, subduing and enslaving others. When there is added to this the theocratic system of Islam, one finds everywhere the best efforts of the state directed, not towards assimilating the conquered (except in so far as they accepted Islam), but towards keeping them as distinct as possible from their rulers in language, manner of living, customs, and even in dress. Just as the Roman system could not have triumphed so completely in the west without conditions of homogeneity and stability favorable to it, so the Turkish and Germanic systems (which were adopted, with few modifications, by the Slavs) could not have maintained themselves had ethnographical conditions been less mixed. But a homogeneous national state, within natural boundaries, was a thing hardly known in East European history, and the rarest event in that story is a genuine national war or national invasion.

One finds, then, the personal law inherent in the conquerors and denied to the conquered. Here, however, we come again to the position of the colonists. The colonists were not serfs; they were free men, coming on invitation from foreign lands, and before they came they required assurances that their position would be respected. Hence we get the system, so widely spread throughout Central and Eastern Europe, of "privileges" or "liberties" granted to groups or to whole nations of immigrants.

Most of these privileges were granted in favor of Germans. In nearly all cases they included a portion of free land, exemption from all feudal dues, with commercial privileges and the right to be judged by their own elected judges and according to their own law, which was usually that in force in their mother-city (most commonly the Magdeburg law). It was a position far superior to that of the common serfs who made up the majority of the population, and in many cases materially above that of all but the wealthier nobles themselves. It is not surprising that friction between the Germans and the local population was frequent, and that the kings, perpetually at variance with their unruly nobility,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tended to ally themselves with the German bourgeoisie, whose interests coincided with their own.

Similar benefits were extended to other nationalities who could be of service to the monarch of the day. Even the Turks, with their splendid contempt for the *giaour*, allowed the Greeks a position which was, in practice, an extremely advantageous one. A well-known instance is that of the Phanariot régime in Moldavia and Wallachia, which for some two centuries was conducted exclusively by Greeks, greatly to their advantage. The Sultan Mohammed II, after capturing Constantinople, crowned the Greek Patriarch with his own hand and presented him with a diamond-studded scepter, a bodyguard of Janissaries, a prison and a torture-chamber of his own. So universal did this habit of national discrimination become that even the gypsies of Hungary and Poland enjoyed self-government under their own "kings" or "voivodes," some of whom were quite magnificent persons.

So for centuries the east went happily its own ways, independently of the west. The situation has changed, and changed radically, only since the French Revolution and the advent of democracy. For the French Revolution, more than any movement which had preceded it, stressed the idea of equality and uniformity within the state. This was the very negation of the complex, semi-feudal principle of "privileges," "liberties" and individual status still prevailing in Eastern Europe at the time; and the effects of these principles, when they spread to the east, were very different from those which they had in the west. It was of profound importance that the great revolution should have taken place in France, a country with few national problems, a well-marked and characteristic nationality, and easily recognizable national frontiers. The French revolutionaries took their "nation" for granted; they were interested in sweeping away the "Gothic absurdities" within it. The makers of the French Revolution turned aside only for a moment to consider "national" in the sense of "racial" problems; and that was when, with a consciousness of benefaction, they swept away the disabilities that had been laid upon the Jews.

Eastern Europe, however, had to cope with a more complex problem. Here the democratic revolution wore a double aspect; it was the revolt of the poor man against the rich and of the conquered nation against the conqueror. When these two currents flow together, as they did when the nations of the Balkans

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rose against the Turk, the story is easy; it is when they encountered each other, as they often did in Hungary, that it becomes so extraordinarily difficult for the western observer.

But democracy flowed out of the west, and so, ultimately, did power; and into minds which before had been ignorant of it there crept the idea of national democratic self-determination, an idea born of the theories of the French Revolution, and based on the French democratic conception of the "nation." As soon as the East European nations, in revolt against Sultan or Tsar, understood that their political future was going to be decided, not by the standards native to them, but by those of the western State, the French "nation," they set out, with the simplicity characteristic of their souls, to "make it so." If they were to have national frontiers they would see to it that these should be as extensive as possible, and this they did by every means, from the fairest to the most foul.

Perhaps the most glaring example out of many which might be chosen is that of Macedonia, with its tragic history of rival national propagandas so long as the coveted prize was still held by the Turks, its still more ghastly tale when one or another of the claimants obtained control over it. But what has gone on in Macedonia can be paralleled, although usually with less of horror, along a score of East European frontiers today, and here we have the very heart and root of the modern minorities problem — a problem of Eastern Europe: that nations long accustomed to live together according to East European conceptions, which permit and even encourage national distinctions, are hurriedly attempting to fit their conditions to the ideas of Western Europe, which believes in the sanctity of majority rule and holds that the larger the majority the greater the sanctity.

This process went on unchecked up to 1918; but since that date, the situation has altered once more, and radically.

Self-determination, we say, is accomplished for Europe today. At any rate, there is to be no more of it, for every European nation west of Russia belongs to the League of Nations, and their territorial integrity is guaranteed by the whole fabric of international law and order. Thus the process of manufacturing nationality should be at an end now, and there should be no more need to slaughter out of hand a recalcitrant disciple of another national cause, and to tell his children that they shall learn their lessons in the language of the majority or not at all. It is time,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

therefore, to ask whether the west has not some other political doctrine to give to Eastern Europe, less disastrous in its effects than the last.

Such a doctrine does exist, and this time it is England which has given it birth. English political thought has never wholly accepted the French philosophy. In a dozen definitions of nationality developed by English thinkers one common idea will always be found to be present — the idea of consent. A recent writer summed up this thought in the following remarkable sentences, which contain no mention either of language or of racial origin: "Nationalism denotes the resolve of a group of human beings to share their fortunes, and to exercise exclusive control over their own actions. Where such a determination exists there should be a state, and there will be no abiding peace until there is a state."

It is this saving conception of consent which was responsible for the existing minority treaties, so bitterly resented by the states bound by them, so often denounced by those who do not understand them. While the politicians and generals who dictated the peace terms were drawing the new frontiers of Europe along lines which they themselves could hardly believe coincided with their expressed doctrine of self-determination, they nevertheless approved minority treaties which stipulated that some attempt at least should be made to secure the consent of the peoples included against their will within the new states. They should not be left to the mercies of the uncontrolled doctrine of self-determination, as it works out in East European practice. And Eastern Europe should be grateful for them, for, given the mixed ethnographical conditions prevailing there, the new fabric could not possibly endure unless this element of consent were reintroduced. One writes, not "introduced," but "reintroduced," for although its modern expression comes from the west the principle is inherent in the old political philosophy of the countries concerned. It was with their consent that the "Saxons" came from Flanders to Transylvania, and settled there "ad retinendam coronam;" it was with their consent that the Greeks returned to Constantinople, and to their patriarch's torture-chamber.

The principle was, of course, modified and in some cases wholly obscured by the hard law of conquest. It operated fully only in the case of the colonists, most of whom, as previously

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

remarked, were Germans. It is precisely for this reason that the Germans, although usually better treated today than most other national fragments, complain most loudly of the new régimes, and in fact feel their effects most hardly. The Bulgar of Macedonia, the Pole of Lithuania (the examples chosen are not intended to be invidious) has but exchanged one servitude for another; the German has in most cases been cast down from a privileged position.

One cannot plead that the old order should be restored, for it resulted in the domination of the many by the few, and often in the preference of peoples of alien origin to those who formed the majority of the population. No one can ask the Czechs or Rumanians to entertain such an idea. But surely the peoples of Eastern Europe need not be above delving a little into their own pasts, putting from them part, at least, of an alien doctrine which has served its turn and brought them their independence.

Democracy — and even modern autocracies have been obliged to incorporate much of the theory of nineteenth-century democracy — has swept away forever part of the foundations of the old privileges, for it is no longer possible to assign a whole national group to certain fixed functions within the communal life. But the broad principle, which even the Turks recognized, that a nationality is best governed within the state by allowing it free development of its national culture and institutions, with limited autonomy, has only proved its worth the more during the period of its obliteration. In religion this principle is now generally admitted and practiced; it is denied in the field of linguistic and cultural institutions, which are what the world recognizes today as essentially national, only because the dominant nations still fear that the principle of self-determination which has hitherto been applied in their favor might one day be turned against them. The guarantee of the Covenant of the League of Nations should remove this fear, and indeed the campaign in favor of frontier revision would lose its adherents in the west, were not public opinion uneasily conscious that the minority treaties have not been applied so as to secure that consent which it was their purpose to attain. If the world can be convinced that the new frontiers, even where they have been drawn in haste and under the influence of prejudice, are not causing real hardship and injustice there will be no talk of altering them against the will of the states concerned.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WAR LOANS VERSUS SUBSIDIES

A NOTE ON GREAT BRITAIN'S ADVANCES TO HER CONTINENTAL ALLIES DURING THE NAPOLEONIC WARS

IN THE still-continuing debate over the Allied Debts, the political factors in the argument are often reënforced by an appeal to the British precedents of the Napoleonic era. These precedents show a definite policy on the part of Great Britain, on the whole one of statesmanship rather than of book-keeping. But the circumstances were not really similar. The fact is that there was no large-scale remission of Continental debts, mainly because the debts were few and small; the policy of Great Britain had been on the whole to grant subsidies, representing the pooling of economic along with military and naval power in a common war effort, rather than to lend on a commercial basis.

Subsidy as a phase of British war effort began as early as the time of Edward the Third, who employed it as part of the chain of alliances he made with the German Princes and with the Emperor himself, Lewis the Bavarian. The regular system was begun by Walpole by an advance of £300,000 in 1741 to Maria Theresa; Carteret advanced the subsidy to £500,000 in 1742; and in 1745 the amount for the allies was raised to over £1,250,000. The arguments in favor of granting subsidies rather than sending soldiers were several. For one thing, British troops were more expensive to maintain than Bavarians. Moreover, an increase in British troops raised the old English bugbear of a standing army. George Grenville said, "It is dangerous to our liberties as well as destructive to our trade, to encourage great numbers of our people to make the soldier craft their trade."

The Seven Years' War gave the subsidy system a still more regular establishment. Pitt was consciously creating the British Empire. He needed Frederick and the best army of Europe to wear down the French resources, to help him "conquer Canada in Germany," a combination designed to break the reactionary power of Bourbon-ridden France in the new world and in the old. Frederick was haughty and refused subsidy until the military disasters of 1757 convinced him that without England he would be overwhelmed by the French alliance. The horizon of war and diplomacy extended to include the habitable globe, and as Trevelyan says, "All the grand schemes of war and diplomacy depended on the battleships of England, tossing far out at sea; Louis of France, like Philip of Spain before him, was hunted down by the pack he never saw."

Money, the expression of England's economic power, was equally necessary. "If one wheel stopped, all might," said Pitt. An "engagement with the Empress of Russia, pursuant to Treaty" of £100,000 appears in the accounts for 1757, but on Russia's forming an alliance with Sweden against Prussia this subsidy was cancelled.

The subsidies to Frederick began with £200,000 in 1757, increased for 1758 to £670,000 a year, which was to be employed by the King of Prussia "in keeping up and augmenting his Forces, which shall act in the most advantageous manner for the common Cause, and for the End proposed by their aforesaid Majesties of reciprocal Defence and mutual Security." There were other similar arrangements, notably with Hesse-Cassel. The Landgrave received an

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

annual subsidy of £60,000 for general purposes, and one year's pay amounting to £97,582 for putting 6992 men into the field; England also took 12,020 Hessians into her own pay. These figures were subsequently increased.

Great Britain's financing of the various combinations against France in the last decade of the century began in 1793 with subsidies to Hanover, Hesse-Cassel and Sardinia. In 1794 a subsidy of £2,500,000 to the King of Prussia was opposed by Fox as certain to be wasted and to encourage others. The argument of the War Minister was simply, "Was the assistance of Prussia necessary, and what was it worth?"[1] The support thus extended was continued annually until 1816, the subsidies aggregated approximately £50,000,000, and the list came to include Hesse D'Armstadt, Baden, Brunswick, Portugal ("including Stores which cannot be distinguished"), Austria, Russia, Prince of Orange, "German Princes," Sweden, Sicily, "Portuguese Sufferers," Morocco, "Russian Sufferers," and "Minor Powers, under engagements with the Duke of Wellington." £30,000,000 of the £50,000,000 was paid in the last four years of the war.

The only considerable break in this subsidy policy came on the proposal of the Government in 1795 for a loan to Austria of £4,600,000, probably because the amount was beyond example. Besides charging all the hereditary revenues of the Emperor, Austria was to deposit collateral security — actions in mortgage on the Bank of Vienna at the rate of four for three — thought by Pitt to be ample, and this would conserve British force unimpaired for the maintenance of her naval supremacy. The loan, guaranteed by Great Britain, was to be raised by public subscription, the contributors to receive 7½ percent interest. Austria agreed to put not less than 200,000 men into the field. Fox again opposed; he doubted Austria's good faith. Loan advances have to be paid as agreed, but "subsidies are generally paid in monthly instalments which can be stopped."[2] Beginning with Prussia "we might be brought to pay for every man and every horse in Europe, employed against the French in the present dreadful contest." He would have liked to see the money spent on the navy "instead of depending on treacherous allies." The Directors of the Bank of England, too, were nervous about the drain of bullion and specie which the loan would occasion, but the House voted it 173 to 58.

For the first three years the half-yearly payments on this loan, amounting to £985,573, were regularly made by the agents of His Imperial Majesty up to May 1, 1797, and no charge was incurred by Great Britain. In that month Austria received another loan, raised in Great Britain, to repay the advances which had been made out of British Army Funds. The interest, approximating 7 percent, was never paid, and from this time on no interest was paid on the loan of 1795; all the charges fell on the British Exchequer.[3]

Subsidies were unsatisfactory, but the Austrian loan was more so. Nothing

[1] Before the year was out Prussia had made a separate peace with France.

[2] A £2,000,000 advance to Austria in 1800 was agreed to, but almost as soon as the first instalment arrived Austria signed an armistice with France, and England stopped payment of the balance.

[3] A loan of £200,000 was made to Holland in 1813, and one of the same amount to the restored Bourbon Government in 1814; both of these were promptly repaid. A loan of £600,000 was made to Portugal in 1809, on which 5 percent was paid as interest and sinking fund until 1815 when the unpaid balance was forgiven. These were the only British loans during the French war.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was paid; yet the British Government exerted no serious pressure, for considerations of policy were more important than the money involved. Castlereagh thought that Austria lay under no reproach, as she had fought well; but the Opposition attacked on account of the burden upon "the suffering people of this country." Lord Liverpool admitted that it might have been better to subsidize than to lend, "and it was a maxim of this experience not to engage in any transaction of that kind;" there was no individual who voted for the loan who would not have voted for giving the money as a subsidy. As the loan had not been pressed in the later coalitions, had in effect been allowed to lapse, "it could not fairly be brought up now."[4] Aberdeen thought that a subsidy rather than a loan had been intended, and that for that reason England had continued to subsidize Austria without alluding to the defaulted debt.

The negotiations for repayment were intermittent and inconclusive. Proposals from Great Britain, which involved throwing off ever-increasing amounts of principal, and accepting part payment in ships, timber or quicksilver, were rejected or side-stepped, and Austria made unavailing efforts to discover counter-debts. The Duke of Wellington delivered an ultimatum at Vienna, and put pressure on Metternich at the Congress of Verona.

A settlement was reached in 1823. Giving Austria credit for the redemption of Consols which had been made by the Sinking Fund, and taking 3 percents at £80 (the approximate price of the period), the account between the two countries as of January 5, 1824, would have stood as follows:

Advances by Great Britain for Austria to January 5, 1824

	£	s.	d.
Interest of Imperial Debt	10,875,635	15	4
Management	113,252	13	6
For Sinking Fund	962,291	5	—
Liability by Transfer of Remaining Capital Debt	3,697,551	—	—
Total exclusive of Interest on Advances	15,648,730	13	10

The settlement was for £2,500,000 payable in instalments, the last one, of £1,300,000, to be paid June 1, 1827. Austrian credit rose on the settlement; she paid in £2,189,285 by April 1824, and got the benefit of a discount of £310,714 for the anticipation. The total burden entailed on Great Britain by the Imperial Debt was therefore £13,459,444.

The House was not enthusiastic. Members said tartly, "that in justice to other bankrupts the Emperor's name ought to appear alongside theirs in the Gazette," and "that 2s. 6d. in the pound was not a handsome composition for an Empire." The Chancellor of the Exchequer was more pleased than the taxpayers, for he planned to use the money in building churches and decorating Windsor Castle, and £570,000 he would use in buying pictures to form the nucleus of a National Gallery.

These British precedents are clearly not a set of blueprints exactly applicable to the case of the Allied debts. They show only the temper in which the British handled their financial relations with their allies, a certain spaciousness of attitude which may or may not be suitable for a less imperial and more commercial era.

C. P. H.

[4] *Cf.* E. F. Gay: "War Loans or Subsidies," FOREIGN AFFAIRS, April 1926, p. 394.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SOME RECENT BOOKS ON INTERNATIONAL RELATIONS

By William L. Langer

NOTE—FOREIGN AFFAIRS will supply its readers, *post free*, with any book published in the United States, at the publisher's regular list price. Send orders, accompanied by check or money order, to Book Service, FOREIGN AFFAIRS, 45 East 65th Street, New York City.

General International Relations

STUDY OF INTERNATIONAL RELATIONS. By ALFRED ZIMMERN. New York: Oxford University Press, 1931, 27 pp. 2/.

An inaugural lecture, by a leading student of international problems.

THE EVOLUTION OF INTERNATIONAL PUBLIC LAW IN EUROPE SINCE GROTIUS. By WALTER SIMONS. New Haven: Yale University Press, 1931, 146 pp. $2.50.

A brilliant essay by the former Chief Justice of the German Republic, published by the Williamstown Institute of Politics.

INTERNATIONAL LAW. By ELLERY C. STOWELL. New York: Holt, 1931, 855 pp. $4.75.

Though this is obviously intended as a text book, it is far removed in character from the conventional restatement of the subject. The author's approach is fresh and original. While he covers the entire subject in thoroughgoing fashion, he is less concerned with the traditional principles than with the actual theory and practice of international law. This means that there is a distinct shift of emphasis. For, example, he devotes little space to the laws of war, and stresses rather the problem of intervention, the questions of coöperation and the methods of securing redress. The third part of the volume is devoted entirely to the subject of world organization, and contains a detailed discussion of mediation, intervention and the machinery of the League and the World Court. The author has supplied a useful bibliography and list of the more important cases, so that for all practical purposes the book is complete. In view of the tremendous changes that have taken place in the last fifteen years in the entire conduct of international relations a volume of this type has been badly needed.

PAZIFISMUS UND IMPERIALISMUS. By LEO GROSS. Leipzig: Deuticke, 1931, 453 pp. M. 60.

A scientific study of the philosophical implications of pacifism and imperialism.

THE HISTORY OF PEACE. By A. C. F. BEALES. New York: Dial, 1931, 355 pp. $4.00.

The remarkable thing about this book is that it should not have appeared years ago. Considering the deluge of books on the prevention of war that has poured from the press it is astonishing that no one should have attempted to review the earlier history and development of efforts to preserve peace. Fortunately the subject has been taken in hand by a competent and scholarly person. This is an admirable survey of the movement as it developed during the last century. Mr. Beales, studying the early peace societies that sprang up after the Napoleonic Wars, shows how these first organizations worked out a complete body of theory, which, despite all trials and tribulations, has persisted down to the present time. The author is well acquainted with the literature of the subject, and has done a considerable amount of original research. There is a good bibliography, which will serve as a guide for further study of the problem. On the whole, the book fills a need and should not be neglected by those interested in the furtherance of peace.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

PROBLEMS OF PEACE. Fifth series. New York: Oxford University Press, 1931, 332 pp. 8/6.

Lectures delivered at the Institute of International Relations at Geneva in 1930. A convenient survey of major problems by various experts.

ALTERNATIVES TO WAR. By Florence G. Tuttle. New York: Harpers, 1931, 282 pp. $3.00.

Despite the fact that excellent surveys of international organization and machinery have been published in recent years, this book should not be passed by without special mention. The author, long an active proponent of the League, reviews the evolution of the post-war period in concise and simple terms. Besides a discussion of the organization and procedure of the League and the Court, the book treats the position of the United States, the Locarno and Kellogg Pacts, and the perennial and urgent question of disarmament. It is a reasonable and well-balanced presentation.

DIE VORBEDINGUNGEN DES INTERNATIONALEN FRIEDENS. By B. Scherer. Vienna: Amalthea, 1931, 162 pp. M. 4.

The book is concerned primarily with the international regulation of territorial difficulties, and makes proposals to this end.

THE WORLD — OUR NEIGHBOUR. By Vernon Bartlett. London: Mathews and Marrot, 1930, 240 pp. 6/.

A popular review of the conflict between nationalism and internationalism, economic problems, minorities, reparations, etc., by an ardent advocate of the new order.

INTERNATIONAL GOVERNMENT. By Edmund C. Mower. Boston: Heath, 1931, 755 pp. $5.00.

A clear and straightforward text, surveying the machinery of international government as established since the World War.

LA COMMUNAUTÉ INTERNATIONALE ET LE DROIT DE GUERRE. By Luigi Sturzo. Paris: Bloud and Gay, 1931, 284 pp. Fr. 20.

The problem of internationalism as seen by a prominent Italian statesman.

CONCEPTION D'UNE FÉDÉRATION MONDIALE. By Kao Lou. Paris: Sirey, 1930, 116 pp.

The Chinese Minister to France enters the lists on behalf of international solidarity.

DIE VERFASSUNG DES UNIVERSALSTAATES. By Gottlob Füssenhauser. Stuttgart: Füssenhauser, 1930, 625 pp. M. 10.

An elaborate draft constitution for the millennium.

L'EVOLUZIONE DEL LAVORO NELLE COLONIE E LA SOCIETÀ DELLE NAZIONI. By G. Mondaini and A. Cabrini. Padua: Studi Coloniali, 1931, 378 pp. L. 48.

The work of the League in dealing with labor questions in the colonies.

L'ARTICLE 10 DU PACTE DE LA SOCIÉTÉ DES NATIONS. By Feodor Korenitch. Paris: Bossuet, 1931, 210 pp. Fr. 30.

A microscopic analysis of a crucial article of the Covenant.

DIE TÄTIGKEIT DES INTERNATIONALEN GERICHTSHOFS 1922–1928. By F. W. Heyl. Ochsenfurt: Fritz and Rappert, 1930, 110 pp.

The author treats more especially the Court's handling of the question of German minorities in Poland.

LE DÉSARMEMENT. By Raymond Bouy. Paris: Presses Universitaires, 1931, 288 pp. Fr. 40.

The best scholarly presentation of the work of the London Conference.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE WORKING OF THE MINORITIES SYSTEM UNDER THE LEAGUE OF NATIONS. By Joseph S. Rouček. Prague: Orbis, 1929, 122 pp.

A scholarly compilation justifying the minorities system.

DAS RECHT DER NATIONALEN MINDERHEITEN. By Georg H. J. Erler. Münster: Aschendorff, 1931, 530 pp. M. 17.50.

Easily one of the best treatments of the history and actual status of European minorities, from the political as well as from the legal standpoint.

LA REVISION DES TRAITÉS ET LE PACTE DE LA SOCIÉTÉ DES NATIONS. By M. Radoikovitch. Paris: Pedone, 1930, 349 pp. Fr. 60.

A scholarly approach to the problem of treaty revision under the Covenant.

DIE ZUKUNFT DER REPARATIONEN. By Bernhard Spangenberg. Berlin: Stilke, 1931, 127 pp. M. 3.

Regarding the present arrangements as impossible of fulfilment, the author dispassionately examines various possible solutions of the problem.

DAS ENDE DER REPARATIONEN. By Hjalmar Schacht. Oldenburg: Stalling, 1931, 246 pp. M. 6.20.

A comprehensive presentation of Dr. Schacht's now familiar views.

LA BANQUE DES RÈGLEMENTS INTERNATIONAUX. By C. Karamikas. Paris: Domat-Monchrestien, 1931, 336 pp. Fr. 60.

A reliable study of the international bank.

LES RÉPARATIONS. By Raymond Deschiétère. Paris: Presses Universitaires, 1931, 238 pp. Fr. 28.

Primarily a scientific analysis of the bank and its workings.

DIE EINWIRKUNGEN DER REPARATIONEN AUF DIE WELTWIRTSCHAFT. By K. Weber. Jena: Fischer, 1931, 98 pp. M. 4.50.

The author discusses, succinctly, different opinions regarding the effects of reparations on production, division of labor, etc.

ECONOMY AND NAVAL SECURITY. By Admiral Sir Herbert Richmond. London: Benn, 1931, 227 pp. 8/6.

This timely volume, by the former Commandant of the Imperial Defense College and the Naval War College, is one of the important books of the year. From a long sea experience and from a knowledge of naval history and politics second only, perhaps, to Mahan's, Admiral Richmond surveys the present threatening situation in direct and forceful fashion. His opinion is that the essential function of a navy can be carried out at far less cost and with far less likelihood of international friction than is commonly admitted. No one pretending to hold clear views on the naval problem can disregard this volume.

International Relations of the United States

DIRECTORY OF AMERICAN AGENCIES CONCERNED WITH THE STUDY OF INTERNATIONAL AFFAIRS. By Ruth Savord. New York: Council on Foreign Relations, 1931, 138 pp. $1.75.

A brief but comprehensive and well-balanced handbook.

GOOD NEIGHBOURHOOD. By Vincent Massey. New York: Macmillan, 1930, 362 pp. $3.00.

This volume of addresses by the former Canadian Minister to the United States is included here because, among speeches on a variety of topics, there are several bearing on the interrelationship of the English-speaking nations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

L'AMÉRIQUE À LA CONQUÊTE DE L'EUROPE. By Charles Pomaret. Paris: Colin, 1931, 296 pp. Fr. 25.

The author takes up the familiar problems of interallied debts, transfer of capital and goods, American investments, etc., and attempts to draw up a program of European defense.

WHY RECOGNIZE RUSSIA? By Louis Fischer. New York: Cape and Harrison, 1931, 298 pp. $2.00.

This volume is an elaboration of the author's discussion of the same subject in his book on the foreign policy of the Soviet Government. It comes from a warm sympathizer and protagonist of the Bolshevik viewpoint, a person with a long experience in Russia and with extensive official contacts. Exception may be taken to the title, which might better be "Why *Not* Recognize Russia?" Exception may also be taken to the publisher's statement on the jacket that "the author makes no plea for recognition." However, though the book is written in a polemical style, it is not rabid. Fischer takes the stand, with which many will find it hard to quarrel, that we cannot go on forever without recognizing Russia, and that the longer we wait, the more difficult it will be to settle the problem without embarrassment to ourselves. Approval of communist principles and methods is not involved in the question, and the debt question, so the author maintains, can be satisfactorily adjusted. Bolshevik propaganda, in his view, is a bogey which America can afford to ignore. On the other hand, he argues, recognition will lead to improvement of trade and the advancement of world peace.

WILSON THE UNKNOWN. By Wells Wells. New York: Scribner, 1931, 365 pp. $2.50.

A not very convincing attempt to solve the Wilsonian enigma.

DRIFTING SANDS OF PARTY POLITICS. By Oscar W. Underwood. New York: Century, 1931, 411 pp. $3.50.

The reminiscences and reflections of the late Senator from Alabama. The volume contains interesting discussions of the tariff and international relations.

FILIPINO IMMIGRATION TO CONTINENTAL UNITED STATES AND TO HAWAII. By Bruno Lasker. Chicago: Chicago University Press, 1931, 467 pp. $4.00.

An excellent and exhaustive treatment of a problem that is becoming more and more acute. It is published under the auspices of the Institute of Pacific Relations.

The World War

THE CONCERT OF EUROPE. By Robert B. Mowat. New York: Macmillan, 1931, 379 pp. $5.00.

A general review of the development of international relations in the period from 1870 to 1914, with special reference to the functioning of the concert in the solution of important questions.

DER SCHUSS IN DEN WELTFRIEDEN. By Bruno Adler. Stuttgart: Dieck, 1931, 191 pp. M. 3.50.

The latest account of the Sarajevo affair.

L'INTERVENTO. By A. Salandra. Milan: Mondadori, 1931, 384 pp. L. 35.

The second volume of the important reminiscences of the Italian statesman, devoted to the period when Italy was hesitating whether or not to intervene in the World War.

MY EXPERIENCES IN THE WORLD WAR. By General John J. Pershing. New York: Stokes, 1931, 2 vols., 400 and 436 pp. $10.

These important volumes by the Commander-in-chief of the American Expeditionary Forces are reviewed at length in this issue of Foreign Affairs.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

JOFFRE. By Raymond Recouly. Paris: Éditions des Portiques,1931, Fr. 12.
A popular biography by a well-known journalist.

JOFFRE ET LA MARNE. By Commandant Müller. Paris: Crès, 1931, Fr. 20.
The record of one of Joffre's closest associates. One of the most important contributions to the study of the Marne campaign.

THE MEMOIRS OF MARSHAL FOCH. New York: Doubleday, Doran, 1931, 580 pp. $5.00.
An interesting and at times highly important addition to the controversial literature on the World War, though rather irregular and spotty.

LA CRISE DU COMMANDEMENT UNIQUE. By General * * * . Paris: Bossard, 1931, Fr. 24.
An important supplement to the treatment of the Clemenceau-Foch-Haig-Pétain conflict as found in Foch's memoirs.

LA PART DE FOCH DANS LA VICTOIRE. By Général Palat. Paris: Charles-Lavauzelle, 1931, 280 pp. Fr. 18.
Written by one of the leading French military historians, this is perhaps the best biographical study of the famous soldier.

LA MISSION DU GÉNÉRAL PAU. By Henry Melot. Paris: Payot, 1931, 208 pp. Fr. 25.
This volume throws light on the French policy towards the Balkan countries and Russia in the spring of 1915.

FIRST ATHENIAN MEMORIES. By Compton MacKenzie. London: Cassell, 1931, 402 pp. 7/6.
The writer was on mission in Athens in the autumn of 1915 and draws a vivid picture of the chaotic nature of Allied policy towards Greece.

THE ALLIED SECRET SERVICE IN GREECE. By Sir Basil Thomson. London: Hutchinson, 1931, 288 pp. 21/.
A thrilling and almost incredible story of Allied activity.

L'INVASION DE LA BELGIQUE DEVANT LA SCIENCE ALLEMANDE DU DROIT DES GENS. By Gaston Delvaux. Liège: Demarteau, 1930, 150 pp.
The author reviews, only to reject, the various legal arguments advanced by German scholars to explain the invasion of Belgium.

LE DRAME DE DOUAUMONT. By Général J. Rouquerol. Paris: Payot, 1931, Fr. 18.
Another splendid French study of a noteworthy phase of the military operations.

LA TRAGÉDIE DES DARDANELLES. By Edmond Delage. Paris: Grasset, 1931, Fr. 15.
A good systematic account, which does not, however, add to our knowledge.

DER NORDSEEKRIEG. By Kontreadmiral Lützow. Oldenburg: Stalling, 1931, 202 pp. M. 3.20.
An authoritative study of the Doggerbank and Skagerrak operations, based upon the German naval archives.

BY GUESS AND BY GOD. By William G. Carr. London: Hutchinson, 1931, 288 pp. 10/6.
A lively account of the life and exploits of the submarines.

AUF SCHICKSALSWEGEN GEN OSTEN. By Major-General Aschauer. Münster: Helios, 1931, 378 pp. M. 10.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The general throws considerable light on the extraordinary campaign of the Germans in Rumania, the Crimea and the Caucasus.

MOJE UČAST NA ČESKOSLOVENSKEM BOJI ZA SVOBODU. By General Maurice Janin. Prague: Otto, 1930, 384 pp.

The book deals very largely with the career and activities of Štefanik, and the Odyssey of the Czech troops in Siberia.

THE EIGHTEENTH DECISIVE BATTLE OF THE WORLD. By Viscount D'Abernon. London: Hodder and Stoughton, 1931, 178 pp. 10/6.

D'Abernon was with the Anglo-French mission during the Polish-Russian war of 1920. He bases his account on his own recollections and on the works of Pilsudski and others.

L'AIGLE BLANC CONTRE L'ÉTOILE ROUGE. By G. V. Saint-Didier. Paris: Berger-Levrault, 1931, 144 pp. Fr. 15.

A short military history of the Polish-Russian conflict.

Western Europe

L'UNION EUROPÉENNE. By B. Mirkine-Guetzevitch and G. Scelle. Paris: Delagrave, 1931, 334 pp. Fr. 20.

A semi-popular presentation of the problem, by two prominent international lawyers.

THE LITTLE ENTENTE. By John O. Crane. New York: Macmillan, 1931, 239 pp. $2.50.

A good survey, reviewing the steps by which the treaties were made and setting forth the present situation in central and eastern Europe.

LES PROBLÈMES DE L'EST ET LA PETITE ENTENTE. By Emmanuel Malynski. Paris: Cervantes, 1931, 560 pp. Fr. 15.

A detailed analysis of the aims and problems of the Little Entente, domestic as well as foreign.

L'EUROPE CENTRALE ÉCONOMIQUE ET SOCIALE. By Paul de Csikay. Paris: Alcan, 1931, 160 pp. Fr. 15.

This book is in reality only another presentation of the Hungarian problem and an argument for revision of the treaties.

BREAKING DOWN THE TARIFF WALLS. By Wilhelm Grotkopp. London: Benn, 1931, 130 pp. 6/.

The translation of a stimulating book, the original of which has already been noted.

MEN AND FORCES OF OUR TIME. By Valeriu Marcu. New York: Viking, 1931, 244 pp. $2.50.

Biographical sketches of Clemenceau, Lenin, Foch, Kemal Pasha and others, written with brilliance and penetration.

CLEMENCEAU. By Jean Ajalbert. Paris: La Nouvelle Revue Française, 1931, Fr. 15.

A biography covering the whole of Clemenceau's career.

MA MENTALITÉ AVANT, PENDANT, APRÈS LA GUERRE. By Henri Michel. Paris: Ged, 1931, 436 pp. Fr. 18.

A remarkable psychological self-analysis, by a former French senator.

LA PATRIE HUMAINE. By Victor Margueritte. Paris: Flammarion, 1931, 287 pp. Fr. 12.

Victor Margueritte, the son of a general and himself once a soldier, stands in the forefront of a little French group which preaches the sermon of internationalism.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Despite the penalty of intense unpopularity, he has persisted in his crusade against the patriotic theories and propaganda of the war period, has insisted on a reconsideration of the question of war guilt, and has called for revision of the treaties as a necessary preliminary for the introduction of a new world order. It is his conviction that France should seek for leadership, not in military preponderance, but in the realm of ideas and in the service of humanity at large.

ITALIA E FRANCIA NEI PROBLEMI ATTUALI DELLA POLITICA EUROPEA. By A. Solmi. Milan: Trèves, 1931, 218 pp. L. 18.

An excellent review of the Franco-Italian problem from the Italian side, written by a well-known historian.

POSIZIONI ED ERRORI DEL NAZIONALISMO FRANCESE. By U. D'Andrea. Rome: Critica Fascista, 1931, 110 pp. L. 5.

An even more nationalistic and more polemical essay on the same problem.

LE PROBLÈME FRANCE-ITALIE. By Camille Marabini. Paris: Hachette, 1931, 220 pp. Fr. 12.

The Franco-Italian tension and the way to a solution, as seen by a strong protagonist of good relations.

LA RÉCONCILIATION OU LA GUERRE. By Gustave Hervé. Paris: Hachette, 1931, Fr. 12.

A prominent French radical pleads for a Franco-German understanding.

DIE DEUTSCH-FRANZÖSISCHEN WIRTSCHAFTSVERHANDLUNGEN DER NACHKRIEGSZEIT. By Erich Dietrich. Berlin: De Gruyter, 1931, 241 pp. M. 9.

A study of the surprisingly extensive Franco-German economic rapprochement during the post-war period.

DEUTSCHLAND UND FRANKREICH. By Rudolf Keller. Munich: Piper, 1931, 112 pp. M. 1.20.

The editor of a German newspaper at Prague spares neither side in his discussion of the Franco-German problem.

LES GRANDS PROBLÈMES ITALIENS. By Michel Mitzakis. Paris: Alcan, 1931, 420 pp. Fr. 80.

A detailed study devoted primarily to economic problems.

AUX SOURCES DU FASCISME. By Silvio Trentin. Paris: Rivière, 1931, 212 pp. Fr. 12.

A penetrating analysis of Fascist evolution, written by a scholarly and moderate anti-Fascist.

STORIA DOCUMENTATA DEI CONFINI DEL REGNO D'ITALIA. By Colonel Vittorio Adami. Rome: Istituto Poligrafico dello Stato, 1930, 459 pp. L. 20.

Volume III of a large work published by the chief of the historical section of the general staff, covering the all-important history of the Italian-Austrian frontier.

MALTA E LA POLITICA STRICKLANDIA. By B. Collini. Livorno: Giusti, 1931, 164 pp. L. 15.

This latest contribution to the Maltese dispute contains a number of documents.

LA POLITIQUE D'ÉMIGRATION DE L'ITALIE. By Claude Woog. Paris: Presses Universitaires, 1931, 392 pp. Fr. 70.

A scientific study of the emigration policy of the Italian Government.

LOS HOMBRES DE LA DICTADURA. By Joaquin Maurin. Madrid: Cenit, 1930, 241 pp. Pes. 5.

This volume contains biographical sketches of Sanchez Guerra, Cambó, Iglesias, Largo Caballero, Lerroux and Melquiades Alvarez, men much in the public eye.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LOS DESTERRADOS DE LA DICTADURA. By Francisco Madrid. Madrid: Edition España, 1930, 260 pp. Pes. 5.

Reports and records of Spain's recent exiles.

FRANCIA, EL DICTADOR Y EL MORO. By José M. Arminñan and Luis de Armiña. Madrid: Morata, 1930, 233 pp. Pes. 5.

A historical reconsideration of French and Spanish policy in Morocco during the dictatorship.

DENKWÜRDIGKEITEN. By Fürst Bernhard von Bülow. Volume III. Berlin: Ullstein, 1931, 433 pp. M. 14.

This third volume of Bülow's memoirs deals with his mission to Rome in 1915 and his activities during the war. Illuminating, if unedifying.

GERMANY AND THE GERMANS. By Eugen Diesel. New York: Macmillan, 1931, 315 pp. $2.00.

It is to be regretted that this volume was given so conventional a title, for it is far superior to the average descriptive or interpretative work. Diesel is a man of uncommon insight and understanding, and a keen critic of our modern civilization. In this volume he surveys the geographical, biological and climatic characteristics of Germany, discusses the people, their mode of life, their activities and their mentality. But the most interesting and illuminating part of the book is the last section, which deals with the new Germany. Here the author devotes himself to the complex problems of Germany's collapse and resurrection, the industrial changes, the new psychology, the new political organizations. If nothing more, he succeeds in throwing into high relief the confusion and chaos of the situation, and in bringing out the immensely important part Central Europe will play in the future development of the world.

DAS DEUTSCHE REICH VON 1918 BIS HEUTE. By Cuno Horkenvach. Berlin: Verlag für Presse, Wirtschaft und Politik, 1931, 852 pp. M. 15.

A huge handbook of modern Germany, drawn up with the aid of official bureaus, party organizations and all sorts of associations.

DER KAMPF UM DIE DEUTSCHE AUSSENPOLITIK. Anonymous. Leipzig: Liszt, 1931, 425 pp. M. 10.

A competent review and study of the course of German foreign policy since the war.

GROSSKAMPFTAGE AUS DER SEPARATISTENZEIT IN DER PFALZ. By Karlheinz Lintz. Edenkoben: Südwestdeutscher Verlag, 1930, 200 pp. M. 4.60.

An interesting contribution to the story of the Separatist movement in the Palatinate.

DIE GROSSE TROMMEL. By Tacitus Redivivus. Berlin: Deutsch-schweizerische Verlagsanstalt, 1930, 155 pp. M. 3.80.

The Hitlerite movement approached in a humourously sarcastic spirit.

DIE POLITISCHEN KAMPFBÜNDE DEUTSCHLANDS. By Ernst H. Posse. Berlin: Junker and Dünnhaupt, 1930, 89 pp. M. 4.

A very compact survey of the militant political organizations of Germany.

RATIONALIZATION OF GERMAN INDUSTRY. New York: National Industrial Conference Board, 1931, 182 pp. $3.00.

The first of a series of scientific investigations of the reorganization of European industry.

GRENZDEUTSCHLAND SEIT VERSAILLES. Edited by Karl C. v. Loesch and Max H. Boehm. Berlin: Brückenverlag, 1930, 450 pp. M. 15.

The best general study of the lot of the German minorities under the peace treaties.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

DIE POLNISCHE IRREDENTA IN WEST OBERSCHLESIEN. By R. Kuster. Berlin: Hallig, 1931, 178 pp. M. 4.

An account of Polish propaganda by a man long resident in the disputed area. The book quotes extensively from the Polish press.

LE PROBLÈME DE L'ÉMIGRATION POLONAISE EN ALLEMAGNE. By S. T. Ruziewicz. Paris: Sirey, 1931, 300 pp. Fr. 40.

A scholarly analysis of one of the great economic-political questions of Eastern Europe.

Eastern Europe

RUSSIA, A SOCIAL HISTORY. By D. S. Mirsky. London: Cresset, 1931, 312 pp. 25/.

This excellent book will serve as an admirable introduction to the study of present-day Russia.

GLIMPSES OF HIGH POLITICS. By N. V. Tcharykow. New York: Macmillan, 1931, 330 pp. $5.00.

The author was one of the leading diplomats of pre-war Russia, but in these memoirs he does not reveal much about the main-springs and inner workings of Russian policy.

THE END OF THE RUSSIAN EMPIRE. By Michael T. Florinsky. New Haven: Yale University Press, 1931, 272 pp. $3.00.

In the preface of this volume the author remarks that the stormy course of events in Russia since the war has distracted attention from the history of Russia during the war itself, and that this subject has been practically neglected. Anyone who has been concerned with recent European history will support this statement without question, and will welcome a reliable study of the evolution of Russia during the great conflict. The editor of the Carnegie Economic and Social History of the War is therefore to be warmly congratulated on his decision to include this volume in the series, though it is of a somewhat different type from the rest of the volumes. Mr. Florinsky has incorporated much of what is contained in the other volumes of the Russian series, and has added materially in several directions. He rightly stresses the political developments which were so closely bound up with the great social problems of the country. Without entering upon a discussion of even the main themes of the volume, we can say with confidence that this compact survey will be of great interest to numerous students of the Russian problem.

LES DERNIERS JOURS DU RÉGIME IMPÉRIAL. By Alexander Block. Paris: La Nouvelle Revue Française, 1931, Fr. 15.

This book was written in 1917, and is primarily an abstract of the proceedings of the committee which investigated the conduct of the old régime.

MY RUSSIAN MEMOIRS. By Sir Bernard Pares. London: Cape, 1931, 623 pp. 25/.

Sir Bernard Pares knew Russia as few Englishmen knew it in the pre-war and war periods. His memoirs are a mine of information on personalities and events during this crucial decade.

100 RED DAYS. By Edgar Sisson. New Haven: Yale University Press, 1931, 502 pp. $5.00.

Mr. Sisson, it will be remembered, was sent to Russia in October 1917 as President Wilson's representative to disseminate information in Russia and Germany regarding American aims and purposes, to bolster up the morale of the Russians and to undermine that of the Germans. When he arrived he found that the Kerensky régime had been overthrown and that the Bolsheviks were in power. Nevertheless he

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

stayed in Russia for more than three months, keeping in close touch with developments and with the personalities in control of the situation. When one considers that these three months were the critical period of the establishment of Bolshevik rule, that they witnessed the abortive constituent assembly, the beginnings of the terror, and above all the crucial negotiations with the Germans that led to the Treaty of Brest-Litovsk, it will be unnecessary to enlarge upon the interest of Mr. Sisson's account. Whatever may be thought of the methods of American propaganda or of the opinions of Mr. Sisson himself, it cannot be denied that his detailed account of day-to-day developments is a valuable document on the history of the Bolshevik revolution.

TRAGEDIJA ADMIRALA KOLCHAKA. By S. P. Melgunov. Belgrade: Biblioteca Russkaia, 1930, 238 pp. 45 dinars.

The first volume of an exhaustive work on the Kolchak movement. The author here covers the years 1917–18, and gives a documented account of the situation in Siberia.

LENIN, THE RED DICTATOR. By George Vernadsky. New Haven: Yale University Press, 1931, 351 pp. $3.00.

Certainly one of the best biographies of Lenin, written with understanding if not with sympathy.

LENIN. By D. S. Mirsky. Boston: Little, Brown, 1931, 247 pp. $2.50.

In this biography more stress is laid on the evolution of Lenin's personality. An interesting volume.

PETIT MANUEL DE LA RUSSIE NOUVELLE. By Anatole de Monzie. Paris: Firmin-Didot, 1931. 338 pp. Fr. 18.

A general handbook compiled by a French statesman who was closely connected with Russian affairs.

PAN-SOVIETISM. By Bruce C. Hopper. Boston: Houghton, Mifflin, 1931, 288 pp. $2.50.

This volume of Lowell Lectures should not escape the attention of those interested in the Russian scene. The author's analysis is distinguished from many other books on Russia by the fact that it is based on a sound knowledge of Russian history as well as upon years of direct observation and extensive travel. This comes out clearly enough in the first lectures, in which the author dsicusses the land and people, examines the economic control of the old régime and reviews the different revolutionary currents which went to produce the great overturn. Other chapters deal in considerable detail with the political and economic machinery of the Soviet system, and more particularly with the five year plan in its economic and human implications. On all these matters the author speaks with real knowledge, and with moderation and directness. Special attention should be called to the last lecture, in which the Russian and American systems, socialist and capitalist, are placed in juxtaposition and the possibility of the Far East becoming the great economic battleground of the two conflicting orders is discussed. The analysis of this point is very stimulating and will repay careful reading by those who are inclined to look beyond the day-by-day events, however spectacular.

LE BOLCHÉVISME À L'ŒUVRE. By Comte W. N. Kokovtzoff. Paris: Giard, 1931, 378 pp. Fr. 50.

The former Russian Minister of Finance and President of the Council of Ministers surveys the moral and economic ruin of Russia under the Bolshevik régime.

WELT VOR DEM ABGRUND. Edited by J. Iljin. Berlin: Eckart, 1931, 576 pp. M. 20.

An exhaustive review of the communist régime, written by more than a dozen Russian emigré scholars.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MAKING BOLSHEVIKS. By Samuel N. Harper. Chicago: Chicago University Press, 1931, 186 pp. $2.00.

A series of instructive lectures, in which the author studies representative groups on which Bolshevik power depends.

THE X Y Z OF COMMUNISM. By Ethan T. Colton. New York: Macmillan, 1931, 423 pp. $3.00.

The principles of communism when translated into action, as seen by a man who has had long and wide experience of Russian affairs.

SOVIET FOREIGN TRADE. By J. M. Budish and Samuel S. Shipman. New York: Liveright, 1931, 288 pp. $2.50.

Practically an official presentation of the Bolshevik thesis regarding dumping and convict labor, together with a survey of the possibilities of Russian-American trade after the completion of the five year plan.

THE SOVIET CHALLENGE TO AMERICA. By George S. Counts. New York: Day, 1931, 387 pp. $4.00.

The five year plan and its implications, as seen by a friendly American professor.

THE RED TRADE MENACE. By H. R. Knickerbocker. New York: Dodd, Mead, 1931, 295 pp. $2.50.

A well-informed story of how the five year program is working, by the correspondent of the *New York Evening Post.*

THE LAST STAND. By Edmund A. Walsh. Boston: Little, Brown, 1931, 359 pp. $3.00.

One of the severest critics of the present régime in Russia examines the five year plan, which he regards as the last phase of Bolshevik strategy in revolutionizing the world.

LE DUMPING SOVIÉTIQUE. By Boris Eliacheff. Paris: Giard, 1931, 230 pp. Fr. 15.

A scholarly monograph on a burning question.

SIBIRIEN, EIN ANDERES AMERIKA. By O. Heller. Berlin: Universum-Bücherei, 1930, 255 pp.

The author stresses the economic exploitation of Siberia and its possibilities.

LES ÉTATS BALTES ET LA RUSSIE SOVIÉTIQUE. By E. Sobolovitch. Paris: Presses Universitaires, 1931, 268 pp. Fr. 40.

An account of Russian relations with the Baltic states from 1918 to 1928.

THE MEMOIRS OF A POLISH REVOLUTIONARY SOLDIER. By Joseph Pilsudski. London: Faber, 1931, 377 pp. 21/.

The exciting career of Pilsudski before and during the war.

RASSENVERWANDSCHAFT DER DONAUVOELKER. By Franz Kászonyi. Vienna: Amalthea, 1931, 271 pp. M. 6.

By stressing the racial affinity of the peoples of the Danube area the author aims at furthering the idea of solidarity.

A SHORT HISTORY OF THE HUNGARIAN PEOPLE. By Ferenc Eckhart. London, 1931, 244 pp. 3/6.

A good popular survey, in which the woes of contemporary Hungary are not neglected.

DIE UNGARN IM ZUSAMMENBRUCH 1918. By Zoltán Szende. Oldenburg: Schulze, 1931, 227 pp. M. 6.

A history of the Hungarian collapse, based upon personal knowledge as well as upon unpublished documents.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE BALKAN ROAD. By Archibald Lyall. London: Methuen, 1930, 244 pp. 12/6.
A pleasant travel book, with occasional penetrating observations on political and racial matters.

LES EFFETS ÉCONOMIQUES ET SOCIAUX DE LA GUERRE EN SERBIE. By Dragolioub Yovanovitch. New Haven: Yale University Press, 1931, 334 pp.
A volume in the Carnegie history of the war, valuable as a contribution to modern Balkan history.

DAS HEUTIGE BULGARIEN. By Theodor Christoff. Berlin: Runge, 1931, 93 pp. M. 2.50.
A brief popular survey of modern Bulgaria.

LA BULGARIA. By M. Scipcovensky. Milan: Alpes, 1931, 400 pp. L. 35.
A general survey of Bulgarian history, with emphasis upon the present reign.

BULGARIEN UNTER DER REPARATION. By A. Sograffoff. Sofia: Glouschkoff, 1930, 168 pp.
The author analyzes the effects of the reparations problem upon the development of Bulgaria since the war.

LA MACÉDOINE. By Jacques Ancel. Paris: Delagrave, 1931, 352 pp. Fr. 150.
A standard illustrated handbook, probably the best general work on the subject.

The British Commonwealth of Nations

THE REAL STANLEY BALDWIN. By Wickham Steed. London: Nisbet, 1930, 7/6.
A psychological study: an appreciation rather than a biography.

DAVID LLOYD GEORGE. By J. Hugh Edwards. London: Waverley Book Co., 1931, two volumes, 32/6.
An affectionate but not very critical full-length biography.

LES DOMINIONS BRITANNIQUES. By Robert Girard. Paris: Bossuet, 1931, 146 pp. Fr. 30.
Another study of the international status of the dominions.

BRITAIN AND WORLD TRADE. By A. Loveday. New York: Longmans, 1931, 229 pp. $4.00.
A collection of essays by the head of the economic intelligence service of the League.

ENGLAND: HER TREATMENT OF AMERICA. By George H. Payne. New York: Sears, 1931, 343 pp. $3.50.
The author reviews the English attitude towards America since the Revolution.

SEA POWER. By Geoffrey Drage. London: Murray, 1931, 318 pp. 10/6.
A miscellaneous collection of letters and essays, some of considerable interest.

THE NAVIES OF TODAY AND TOMORROW. By Bernard Acworth. London: Eyre and Spottiswood, 1931, 277 pp. 8/6.
This book, written by a retired naval officer, is primarily a sharp criticism of recent British naval policy, with special reference to deficiencies in men and material.

A HISTORY OF IRELAND AND HER PEOPLE. By Eleanor Hull. London: Harrap, 1931, 487 pp. 18/.
The second volume of a general history, covering the period from 1688 to the present, with special stress on the revolution and the establishment of the Free State.

ECONOMIC POWER FOR CANADA. By J. Alexander Aiken. New York: Macmillan, 1930, 265 pp.
A competent study and discussion of the trade and industrial problems of Canada.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

NEW ZEALAND AFFAIRS. Christchurch: Isitt, 1931, 241 pp. 5/.
A series of essays published for the New Zealand branch of the Institute of Pacific Relations, in preparation for last year's Kyoto Conference.

INDIA: A WARNING. By J. M. Kenworthy. London: Mathews, 1931, 117 pp. 2/6.
The author, who has had some direct experience of Indian service, considers the recent Round Table Conference.

BRIDGING THE GULF. By An Indian. London: King, 1931, 182 pp. 7/6.
A Hindu business man gives a clear survey of the situation, followed by suggestions for the further development of coöperation between England and India.

INDIA ON THE BRINK. By A British-India Merchant. London: King, 1931, 122 pp. 3/.
A spirited defense of England's work in India, and a plea for a strong stand against the demands of extremists.

A FAREWELL TO INDIA. By Edward Thompson. London: Benn, 1931, 288 pp. 7/6.
An analysis of recent developments by one of the keenest writers on the question.

LIFE OF SAYAJI RAO III, MAHARAJA OF BARODA. By Stanley Rice. New York: Oxford University Press, 1931, two volumes, $12.00.
An excellent biography of one of the most able and progressive of the Indian rulers.

SOVEREIGNTY AND PARAMOUNTCY IN INDIA. By Julian Palmer. London: Stevens, 1931, 104 pp. 5/.
A study of the legal relations of the Indian states to the rest of India.

LES ÉTATS INDIGÈNES DANS L'INDE ANGLAISE. By S. Antonowicz. Paris: Rousseau, 1931, 215 pp. Fr. 30.
Another careful analysis of the vexed problem of the native states.

The Near East

THE QUESTION OF THE STRAITS. By P. P. Graves. London: Benn, 1931, 216 pp. 10/6.
A convenient brief survey of the development of the Straits question from earliest times to the present.

MUSTAPHA KEMAL OF TURKEY. By H. E. Wortham. Boston: Little, Brown, 1931, 258 pp. $2.50.
A rather slight, but spirited biographical sketch of Mustapha's checkered career.

LES SYMPTOMES DE LA CRISE TURQUE ET SON RÉMÈDE. By Hachim Nahid. Paris: Librairie Philosophique, 1931, 88 pp. Fr. 10.
A telling critique and exposé of the weaknesses of the new Turkish régime.

HISTORY OF PALESTINE. By Angelo S. Rappoport. New York: Dutton, 1931, 368 pp. $3.50.
A general history, well-informed and attractively written.

ENGLAND UND PALÄSTINA. By Josef Cohn. Berlin: Vowinckel, 1931, 327 pp. M. 6.80.
This is a highly useful book on the Palestine question, for the author presents a scholarly survey of the development of British policy from the very beginning, as well as an account of the establishment of the mandate and the evolution of the Zionist question in recent years.

LE MANDAT SUR LA PALESTINE. By Abraham Baumkoller. Paris: Rousseau, 1931, 354 pp. Fr. 35.
A substantial and critical analysis.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

EASTWARD TO PERSIA. By Ikbal Ali Shah. London: Wright and Brown, 1931, 292 pp. 12/6.
General impressions of the Near Eastern situation, the more interesting because of the oriental approach.

CONFLICT: ANGORA TO AFGHANISTAN. By Rosita Forbes. London: Cassell, 1931, 302 pp. 15/.
The latest adventures and impressions of a well-known traveller.

THE ROAD TO THE GREY PAMIR. By Anna Louise Strong. Boston: Little, Brown, 1931, 289 pp. $3.00.
These pages of adventure are interesting in themselves, but also throw light upon Soviet workings in the more remote areas of Asia.

Africa

LES CHEMINS DE FER COLONIAUX DE L'AFRIQUE. By Lionel Wiener. Paris: Dunod, 1931, 574 pp. Fr. 75.
Destined to be a standard work on an important aspect of African affairs.

HISTOIRE DU MAROC. By Coissac de Chavrebière. Paris: Payot, 1931, 540 pp. Fr. 45.
One of the best general surveys of Moroccan history, based upon profound knowledge of native as well as European sources.

LYAUTEY ET LE MAROC. By Louis Barthou. Paris: Le Petit Parisien, 1931, Fr. 15.
A tribute to the labors of the great French administrator.

CIRENAICA VERDE. By A. Teruzzi. Milan: Mondadori, 1931, 372 pp. L. 20.
A record of Fascist accomplishment during the years 1927–1928.

OSTAFRIKA IN DER GESCHICHTE DER WELTWIRTSCHAFT. By Ludwig Koch. Berlin: Reimer, 1930, 194 pp. M. 12.
A useful study of the economic position of East Africa.

AFRICA VIEW. By Julian Huxley. New York: Harpers, 1931, 464 pp. $5.00.
Though this is primarily the travel book of a biologist, the student of international affairs will find in it much of penetrating observation on East African problems.

The Far East

LA CHINE ET LE PACIFIQUE. By André Dubosco. Paris: Fayard, 1931, 206 pp. Fr. 9.
An admirable survey by one of the leading writers of the *Temps*.

A JOURNEY TO CHINA. By Arnold Toynbee. London: Constable, 1931, 346 pp. 15/.
This travel book is characterized, like all Professor Toynbee writes, by historical grasp, breadth of view, and keen observation.

TWO YEARS OF NATIONALIST CHINA. Edited by Min-Ch'ien T. Z. Tyau. Shanghai: Kelly and Welsh, 1931, 523 pp.
Largely a collection of documents and statistics compiled by the director of publicity at the foreign office of the Nanking Government.

LA CHINE QUI LUTTE. By Tsen Tson Ming. Paris: Nachbaur, 1931, Fr. 15.
The author discusses recent developments within the Kuomintang.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LES SOVIETS EN CHINE. By Prince d'Altora Colonna de Stigliano. Paris: Desclée, de Brouwer, 1931, 114 pp. Fr. 7.
A rather thin alarmist account of an important episode.

BERICHT DER CHINA STUDIENKOMMISSION DES REICHSVERBANDES DER DEUTSCHEN INDUSTRIE. Leipzig: Volckmar, 1930, 191 pp. M. 6.
The report of the German industrial investigation.

THE CONSTITUTION OF JAPAN. By N. Matsunami. London: Luzac, 1931, 364 pp. 22/6.
A scholarly monograph.

PROBLEMS OF THE JAPANESE EXCHANGE, 1914–1926. By Junosuke Inouye. New York: Macmillan, 1931, 286 pp.
A series of lectures, delivered in 1926, by the present Japanese Minister of Finance.

THE GRASS ROOT. By Younghill Kang. New York: Scribners, 1931, 367 pp. $3.00.
The fascinating autobiography of a young Korean who was exposed to education in Japan and the United States.

VIET NAM. By Louis Roubaud. Paris: Valois, 1931, 320 pp. Fr. 15.
The story of the recent Annamite rising against the French.

Latin America

THE GENIUS OF MEXICO. Edited by Hubert C. Herring and Katherine Terrill. New York: Committee on Cultural Relations with Latin America, 1931, 343 pp. $2.50.
This collection of lectures, delivered at a seminar in Mexico City in 1930, covers the most diverse aspects of Mexican life and Mexico's relations to the rest of the world.

A HISTORY OF THE ARGENTINE REPUBLIC. By F. A. Kirkpatrick. New York: Macmillan, 1931, 282 pp. $5.00.
Probably the best general history of Argentina available in English.

TACNA AND ARICA. By William J. Dennis. New Haven: Yale University Press, 1931, 350 pp. $4.00.
An able review of the whole course of the wearisome boundary dispute, to its settlement in 1929.

Miscellaneous

DIE GROSSEN MÄCHTE GEOJURISTISCH BETRACHTET. By M. Langhans-Ratzeburg. Munich: Oldenbourg, 1931, 262 pp. M. 9.50.
The author examines the organization of the world's leading states and attempts to explain their peculiarities by geographical considerations.

CHANGES IN THE STRUCTURE OF WORLD ECONOMICS SINCE THE WAR. By Felix Somary. London: King, 1931, 221 pp. 7/6.
A most stimulating series of essays by a European banker.

THE FIGHT FOR FINANCIAL SUPREMACY. By Paul Einzig. New York: Macmillan, 1931, 144 pp. $3.00.
The author discusses competently the triangular struggle between New York, London and Paris, and gives his reasons for thinking the victory will eventually lie with London.

PROBLÈME DE L'OR ET CRISE MONDIALE. By Georges Boris. Paris: Valois, 1931, Fr. 15.
A reconsideration of the question of gold and its effects on the economic problems.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SOURCE MATERIAL

By Denys P. Myers

PUBLIC DOCUMENTS OFFICIALLY PRINTED

Documents may be procured from the following: *United States:* Gov't Printing Office, Superintendent of Documents, Washington, D. C. *Great Britain:* British Library of Information, 551 Fifth Ave., New York. *France:* Gerda M. Andersen, 12 Ave. Ernest Reyer, Paris XIV°. *League of Nations, Int. Labor Office, Perm. Court of Int. Justice and International Institute of Agriculture:* World Peace Foundation, 40 Mt. Vernon St., Boston. Washington imprints are Government Printing Office and London imprints are His Majesty's Stationery Office, unless otherwise noted. Since 1928 a list of national Government documents has been printed in the *Monthly list of Books catalogued in the Library of the League of Nations.*

ARBITRATION AND CONCILIATION

CLAIMS Commission between Great Britain and Mexico. Decisions and Opinions of the Commissioners, October 1929 to February 1930, in accordance with the Convention of November 19th, 1926. 2s. 6d.

COMMISSION of inquiry and conciliation, Bolivia and Paraguay, 1929. Proceedings, Mar. 13, 1929–Sept. 13, 1939. Washington, 1929. 1210 p.

CONVENTION between His Majesty and the President of the United Mexican States supplementary to the Convention of November 19, 1926, respecting British Pecuniary Claims in Mexico owing to Revolutionary Acts, Mexico, December 5, 1930. London, 1931. 7 p. 24½ cm. (Mexico No. 1 (1931) Cmd. 3768) 2d.

OPINIONS of Commissioners under the Convention concluded September 8, 1923, as extended by subsequent conventions, between the United States and Mexico, October 8, 1930, to November 5, 1930. Washington, 1931. 178 p. 23 cm.

REPORT of Robert W. Bonynge, Agent of the United States before the Tripartite Claims Commission (United States, Austria, and Hungary) Established under the Agreement which became effective December 12, 1925, between the United States, Austria, and Hungary. Washington, 1930. 94 p. 23¼ cm. 15 cents.

MEMORANDUM on the Proposed Accession of His Majesty's Government in the United Kingdom to the General Act of 1928 for the Pacific Settlement of International Disputes. London, 1931. 19 p. 24½ cm. (Miscellaneous No. 8 (1931) Cmd. 3803) 4d.

ARMAMENT AND DISARMAMENT CONFERENCE

DOCUMENTS of the Preparatory Commission for the Disarmament Conference entrusted with the Preparation for the Conference for the Reduction and Limitation of Armaments. Series X. MINUTES of the Sixth Session (Second Part) of the Preparatory Commission for the Disarmament Conference. Geneva, 1931. 620 p. 33 cm. (League of Nations, C. 4. M. 4. 1931. IX. 1.)

PREPARATORY Commission for the Disarmament Conference. Report by the Committee of Experts on Budgetary Questions. Geneva, 1931. 46 p. 33 cm. (League of Nations, C. 182. M. 69. 1931. IX. 3.)

FLEETS (The British Empire and Foreign Countries). Particulars of the Fleets of the British Empire, United States of America, Japan, France, Italy, Soviet Union, and Germany, on the 1st day of February, 1931, distinguishing, both built and building, Battleships, Battle Cruisers, Cruisers, Cruiser Minelayers, Armoured Coast Defence Vessels and Monitors, Aircraft Carriers, Flotilla Leaders, Destroyers, Torpedo Boats, Submarines, Sloops, Coastal Motor Boats, Gunboats and Despatch Vessels, River Gunboats, and Minesweepers. London, 1931. 95 p. 24½ cm. (Cmd. 3805.) 1s. 6d.

THE GENERAL Annual Report on the British Army for the Year ending 30th September 1930. With which is incorporated the Annual Report on Recruiting prepared by command of the Army Council. London, 1931. 137 p. 24½ cm. (Cmd. 3800.) 2s.

INTERNATIONAL CONVENTION for the Amelioration of the Condition of the Wounded and Sick in Armies in the Field, Geneva, July 27, 1929. London, 1931. 47 p. 24½ cm. (Miscellaneous No. 5 (1931) Cmd. 3793) 9d.

INTERNATIONAL CONVENTION relative to the Treatment of Prisoners of War, Geneva, July 27, 1929. London, 1931. 79 p. 24½ cm. (Miscellaneous No. 6 (1931) Cmd. 3794) 1s. 3d.

FINAL ACT of the Conference regarding Wounded and Sick in Armies in the Field and the Treatment of Prisoners of War, Geneva, July 27, 1929. 30 p. 24½ cm. (Miscellaneous No. 7 (1931) Cmd. 3795) 6d.

LEAGUE of Nations. Despatch from Viscount Cecil of Chelwood enclosing the Report of the Preparatory Commission for the Disarmament Conference and the Draft Disarmament Convention, Geneva, December 10, 1930. London, 1931. 103 p. 24½ cm. (Miscellaneous No. 3 (1931) Cmd. 3757) 1s. 6d.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LIMITATION and Reduction of Naval Armament. Treaty between the United States of America and Other Powers. Signed at London, April 22, 1930. Washington, 1931. 37 p. 23¼ cm. (Treaty Series, No. 830.) 10 cents.

Also Great Britain, Treaty Series No. 1 (1931) Cmd. 3758.

UNITED STATES. Office of Naval Intelligence. The United States Navy in Peace Time. The navy in its relation to the industrial, scientific, economic, and political development of the nation. Washington, 1931. vii, 176 p. diagr. 25 cm.

CHECKS

INTERNATIONAL Conference for the Unification of the Laws Relating to Bills of Exchange, Promissory Notes and Cheques. Second Session, February 23rd, 1931. [Preliminary Documents]. Geneva, 1931. 19 p. 33½ cm. (League of Nations, C. I. L. C. 61. 1931. II. A. 6.)

——— 1. CONVENTION providing a Uniform Law for Cheques (with Protocol and Annexes). 2. Convention for the Settlement of Certain Conflicts of Laws in connection with Cheques (with Protocol). 3. Convention on the Stamp Laws in connection with Cheques (with Protocol). 4. Final Act of the Conference (Second Session). Geneva, 1931. 41 double p. 33 cm. (League of Nations, C. 194. M. 77. 1931. II. B. 6.)

CHINA

COMMERCIAL relations with China, partial report pursuant to S. Res. 256 (authorizing examination with study of stipulations relating to commerce in existing treaties of United States and other Governments with Republic of China, and conditions that may affect our commerce and trade with China); submitted by Mr. Borah. Jan. 26, calendar day Feb. 12, 1931. Washington, 1931. 26 p. (S. rp. 1600, 71st Cong. 3d sess.) 5 cents.

NATIONAL Government Republic of China. Annual Report for the 18th Fiscal Year July 1929 to June 1930. Ministry of Finance. Nanking, 1931. 11 p. 26 cm.

The first financial report of the Chinese Government ever made. It is addressed to the Political Council of the National Executive Committee of the Nationalist Party.

EXCHANGE of Notes between His Majesty's Government in the United Kingdom and the Chinese Government regarding the disposal of the British Share of the China Indemnity of 1901, Nanking, September 19 and 22, 1930. London, 1931. 9 p. 24½ cm. (Treaty Series No. 18 (1931) Cmd. 3808) 2d.

COURT OF ARBITRATION, PERMANENT

RAPPORT du Conseil administratif de la Cour Permanente d'Arbitrage sur les travaux de la Cour, sur le fonctionnement des services administratifs et sur les dépenses pendant l'exercice 1930. La Haye, 1931. 51 p. 33½ cm.

COURT OF INTERNATIONAL JUSTICE, PERMANENT

DOCUMENTS Relating to the Order of December 6th, 1930. Case of the Free Zones of Upper Savoy and the District of Gex (Second Phase). 2041 p. 24½ cm. (Series C. No. 19–I. Nineteenth (Ordinary) Session (1930).)

Vol. I. Minutes-Speeches; Vol. II. Documents, Draft and Observations of the French Government; Vol. III. Observations of the Swiss Government and Annexes. — Publications of the Swiss Committees; Vol. IV. Reply of the French Government. Reply of the Swiss Government and Annexes.

1. STATUT du 16 Décembre 1920. 2. Règlement du 24 Mars 1922 (avec les Modifications y Apportées Jusqu'au 21 Février 1931). 37 double p. 32 cm. (Série D-No. 1 (Deuxième édition).)

EUROPEAN UNION

COMMISSION of Enquiry for European Union. Minutes of the Second Session of the Commission. Held at Geneva from January 16th to 21st, 1931. Geneva, 1931. 82 p. 33½ cm. (League of Nations, C. 144. M. 45. 1931. VII. 1.)

——— COMMITTEE to Study the Problem of the Export of Future Harvest Surpluses of Cereals. Report to the President of the Commission of Enquiry for European Union on the Work of its First Session. Held at Paris from February 26th to 28th, 1931. Geneva, 1931. 3 p. 33 cm. (League of Nations, C. 192. M. 75. 1931. II. B. 5.)

——— ORGANISATION Sub-Committee. Report by M. Motta on the Constitution, Organisation and Procedure of the Commission of Enquiry for European Union. Geneva, 1931. 2 p. 33 cm. (League of Nations, C. 204. M. 82. 1931. VII. 2.)

——— MEETING for the Disposal of 1930 Cereal Stocks (Paris, February 23rd to 25th, 1931). Final Act. Geneva, 1931. 8 double p. 33 cm. (League of Nations, C. 196. M. 79. 1931. II. B. 7.)

LE CREDIT Agricole dans certains pays de l'Europe Centrale et Orientale. Geneva, 1931. 65 p. 33 cm. (League of Nations, F. 866 (1). 1931. II. A. 4.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

EXHIBITIONS

INTERNATIONAL Convention relating to International Exhibitions. Paris, November 22, 1928. London, 1931. 44 p. 24½ cm. (Treaty Series No. 9 (1931) Cmd. 3776) 9d.

GOLD AND SILVER

SECOND Interim Report of the Gold Delegation of the Financial Committee. Geneva, 1931. 22 p. 25½ cm. (League of Nations, C. 75. M. 31. 1931. II. A. 2.)

COMMERCIAL RELATIONS with China. Hearings before a Subcommittee of the Committee on Foreign Relations United States Senate, Seventy-First Congress, Second Session pursuant to S. Res. 256, a resolution authorizing an examination and study of stipulations relating to commerce in existing treaties of the United States and other Governments with the Republic of China, and conditions that may affect our commerce and trade with China. Part 1 (-4). August 6, 1930–February 4, 1931. Washington, 1930, 1931. 552 p. 23¼ cm.

COMMERCIAL RELATIONS with China; report to accompany S. Res. 442 (advising the President as to depressed condition of our commerce with China and other silver-using countries, and suggesting that the President take certain steps looking to remedial action); submitted by Mr. Pittman. Feb. 17, calendar day Feb. 20, 1931. Washington, 1931. 28 p. (S. rp. 1716, 71st Cong. 3d sess.) 5 cents.

INDIA

INDIAN Round Table Conference 12th November, 1930–19th January, 1931. (Sub-Committees' Reports; Conference Resolution; and Prime Minister's Statement). London, 1931. 83 p. 24½ cm. (Cmd. 3772) 1s. 3d.

INTERNATIONAL FINANCIAL RELATIONS

AMERICAN Branch Factories Abroad. Letter from the Secretary of Commerce transmitting in response to Senate Resolution No. 128, submitted by Mr. Walsh of Massachusetts, a Report on American Branch Factories Abroad, together with the Economic Factors involved in the Branch Factory Movement. Washington, 1931. 38 p. 23¼ cm. (Sen. Doc. No. 258, 71st Cong. 3d sess.)

BANK of Poland. Economic Research Department, Bulletin No. 1–, October-December 1930–. Warsaw, Printing Office of the Bank of Poland, 1931–. 40 p. 27½ cm. Continues:

Combined Reprint of the Quarterly Reports of the Financial Adviser to the Polish Government. Fourth Quarter 1927 to Third Quarter 1930, inclusive. Warsaw, Printing Office of the Bank of Poland, 1930. 342 p. 27½ cm.

CORRESPONDENCE respecting Position of British Holders of French Rentes issued in the United Kingdom in 1915–1918, July 1930–January 1931. London, 1931. 12 p. 24½ cm. (France No. 1 (1931) Cmd. 3779) 2d.

GREECE. Report on the Liquidation of the Refugee Settlement Commission. Geneva, 1931 14 p. 33 cm. (League of Nations, C. 67. M. 28. 1931. II. A. 3.)

LIGHTING OF COASTS

CONFERENCE for the Unification of Buoyage and the Lighting of Coasts (Lisbon, October 6th–23rd, 1930). Geneva, 1930. 1. Agreement Concerning Maritime Signals. 2. Agreement Concerning Manned Lightships not on their Stations. 3. Recommendations on Lighthouse Characteristics and Radio-Beacons. 4. Final Act of the Conference. Geneva, 1930. 23 double p. 33 cm. (League of Nations, C. 634. M. 253. 1930. VIII. 13.)

INTERNATIONAL Agreement concerning Manned Lightships Not On Their Stations, Lisbon, October 23, 1930. London, 1931. 10 p. 24½ cm. (Treaty Series No. 13 (1931) Cmd. 3791) 2d.

MINORITIES

PROTECTION of Linguistic, Racial or Religious Minorities by the League of Nations. Resolutions and Extracts from the Minutes of the Council, Resolutions and Reports adopted by the Assembly, relating to the Procedure to be followed in Questions concerning the Protection of Minorities. Second Edition. Geneva, 1931. 247 p. 24 cm. (League of Nations, C. 8. M. 5. 1931. I. B. 1.) $1.50.

OPIUM CONFERENCE AND CONTROL

ADVISORY COMMITTEE on Traffic in Opium and Other Dangerous Drugs. MINUTES of the Fourteenth Session. Held at Geneva from January 9th to February 7th, 1931. Volume I. Geneva, 1931. 89 p. 33 cm. (League of Nations, C. 88. M. 34. 1931. XI. Vol. I. 1931. XI. 2.[1])

——— REPORT to the Council on the Work of the Fourteenth Session. Held at Geneva from January 9th to February 7th, 1931. Geneva, 1931. 30 p. 33 cm. (League of Nations, C. 168 (a). M. 62 (a). 1931. XI. 4.)

——— LIST of Illicit Transactions and Seizures Reported to the League of Nations Since November 6th, 1929. Geneva, 1930. 170 p. 33 cm. (League of Nations, C. 621. M. 243. 1930. XI. 9.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

COMMISSION of Enquiry into the Control of Opium-Smoking in the Far East. Report to the Council. Volume I: Report with Comparative Tables, Maps and Illustrations. Geneva, 1930. 158 p. 24¼ cm. (League of Nations, C. 635. M. 254. 1930. XI. 10.)

CONFERENCE on the Limitation of the Manufacture of Narcotic Drugs. Report and Draft Convention on the Limitation of the Manufacture of Narcotic Drugs. Drawn up by the Advisory Committee on Traffic in Opium and other Dangerous Drugs at its Fourteenth Session. Geneva, 1931. 22 p. (League of Nations, C. 168. M. 62. 1931. XI. 3.)

Traffic in Opium and Other Dangerous Drugs for the Year Ended December 31, 1929. Report by the Government of the United States of America. Washington, 1930. 32 p. 23¼ cm.

PERMANENT CENTRAL Opium Board. A B C of Narcotic Drugs by Dr. O. Anselmino. Geneva, 1931. 48 p. 27 cm. (League of Nations, C. C. P. 44 (1). 1931. XI. 1.)

POTENT DRUG FORMULAS

INTERNATIONAL Agreement revising the Agreement of 1906 respecting the Unification of Pharmacopœial Formulas for Potent Drugs, Brussels, August 20, 1929. London, 1931. 31 p. 24½ cm. (Miscellaneous No. 2 (1931) Cmd. 3756) 6d.

REPARATION SETTLEMENT AND YOUNG PLAN

AGREEMENT between His Majesty's Governments in the United Kingdom and in New Zealand and the Government of India and the Austrian Government in regard to the Liquidation of Austrian Properties, with an Exchange of Notes on the subject, Vienna, March 15, 1930. London, 1931. 18 p. 24¼ cm. (Treaty Series No. 5 (1931) Cmd. 3762.) 3d.

GERMANY. Statistisches Reichsamt. Die interallierten Schulden . . . Berlin, R. Hobbing, 1930. 202 p. (Einzelschriften zur statistik des Deutschen Reichs, No. 11.)

RIVER LAW

CONFERENCE pour L'Unification du Droit Fluvial (Genève, 17 novembre–9 décembre 1930). CONVENTION sur l'Unification de Certaines Règles en Matière d'Abordage dans la Navigation Intérieure. Genève, 1931. 8 p. 33¼ cm. (League of Nations, Conf. U. D. F. 57. 1931. VIII. 2.)

——— CONVENTION concernant l'Immatriculation des Bateaux de Navigation Intérieure, les Droits Réels sur ces Bateaux et autres Matières connexes. Genève, 1931. 19 p. 33¼ cm. (League of Nations, Conf. U. D. F. 58. 1931. VIII. 3.)

——— CONVENTION sur les Mesures Administratives propres à Attester le Droit au Pavillon des Bateaux de Navigation Intérieure. Genève, 1931. 7 p. 33¼ cm. (League of Nations, Conf. U. D. F. 59. 1931. VIII. 4.)

——— ACTE FINAL de la Conférence. Genève, 1931. 10 p. 33¼ cm. (League of Nations, Conf. U. D. F. 60. 1931. VIII. 5.)

ROAD TRAFFIC

ADVISORY and Technical Committee for Communications and Transit. Permanent Committee on Road Traffic. Report on the Seventh Session of the Committee. Held at The Hague from May 23rd to May 31st, 1930. Geneva, 1930. 18 p. 33 cm. (League of Nations, C. 394. M. 174. 1930. VIII. 7.)

EUROPEAN Conference on Road Traffic (Geneva, March 16th–30th, 1931). CONVENTION Concerning the Unification of Road Signals. Geneva, 1931. 7 double p. il. 33 cm. (League of Nations, C. 231. M. 99. 1931. VIII. 7.)

TREATIES

TREATIES and other International Acts of the United States of America, edited by Hunter Miller. Washington, 1931–. Vol. 2, xxxix, 662 p. 26 cm. $4.00.

This first volume of texts of the definitive edition of United States treaties contains Documents 1–40, 1776–1818. Vol. 1 will contain the plan of the edition, lists of documents and other pertinent material. Textual and procedural notes are attached to each document, but diplomatic, historical and legal notes will be contained in a subsequent volume.

TRATADOS, convenios y convenciones celebrados por la Republica de Cuba, desde 1916. Habana, Impr. y papeleria de Rambla, Bouza y ca., 1929. 831 p.

CHRONOLOGY of International Treaties and Legislative Measures. Geneva, 1931. 10 p. 27 cm. (League of Nations Library, Vol. II, No. 1–). (Originally issued as Supplement to *Monthly List of Selected Articles*.)

LIST of Commercial Treaties, etc., with Foreign Powers. January 1, 1931 (Foreign Office). London, 1931. 47 p. 24½ cm. (59-53-0-31) 9d.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Awarded the 1930 Pulitzer Prize for History

The Coming of the War: 1914

by

Bernadotte E. Schmitt

editor of "The Journal of Modern History"

"The author has performed his task with a degree of skill, subtlety, comprehensiveness, and erudition which must command the highest respect of all who have done scientific work in the field. The tragedy of June 23-August 5, 1914, is analyzed day by day and hour by hour on the basis of a familiarity with the source materials which is unequalled by any other authority."—*The Nation.*

"The most detailed, comprehensive, and up-to-date account of the immediate origins of the Great War which has appeared in any language. . . . Its scholarly thoroughness makes it an indispensable vade mecum to every careful student of the war."

—*Sidney B. Fay.*

Two volumes boxed, $10.00

Important Volumes in The Modern World Series

SPAIN

by Salvador de Madariaga

Ambassador of the Spanish Republic

"The most brilliant contemporary work on Spain. . . . Mr. Madariaga brings before us that country of 'outward variety and inward unity,' rich in symbolic suggestions if poor in political lessons and historical example; still rich in individuals, though ineffective collectively."

—*New York Herald Tribune.*

$5.00

AUSTRALIA

by W. K. Hancock

Professor of Modern History in the University of Adelaide

"This appraisement and interpretation of Australia can be recommended to readers desirous of learning more of a country whose future is of importance to every nation of the globe and especially to America."—*New York Sun.*

$5.00

The Life of the Empress Eugénie

by Robert E. Sencourt

"A biography of exceptional interest, wit, and charm. As a piece of history, as a study of character, and as a picture of a dazzling court, the book is difficult to overpraise."—*London Spectator.* *Illustrated.* $5.00

at all bookstores

CHARLES SCRIBNER'S SONS • • NEW YORK

Kindly mention FOREIGN AFFAIRS *when writing to advertisers*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Economic Policy of Soviet Russia

By Professor PAUL HAENSEL, D.LL., Professor of Public Finance in The North-Western University, U.S.A. Demy 8vo. 190 pp. $2.25, post free.

Professor Haensel has a thorough inside knowledge of his subject, having held the chair of Public Finance in the University of Moscow for more than twenty-five years, besides occupying other public positions of importance, including membership of the Board of Directors of the State Bank of Russia. From 1921 to 1928 he was President, under the Soviet, of the financial section of the Institute of Economic Research, and he has taken part in the work of several of the Soviet Commissariats, in the State Budget Committee, the Tariffs Committee and other bodies.

The Statist: "Dr. Paul Haensel has written what is probably the best documented account available in English on the economic policy of the Soviet Government.

The Problem of Maintaining Purchasing Power: A Study of Industrial Depression and Recovery

By P. W. MARTIN. Demy 8vo. 320 pp. Many Diagrams. $3.75, post free.

The author of this book was awarded the first prize in the Prize Essay Contest of The Economic Guild of America. In this, his latest book, he furnishes the first satisfactory explanation of why buying intermittently fails to keep pace with production. By approaching the question from a new angle it elucidates and reconciles the apparently conflicting theories at present held.

Changes in the Structure of World Economics Since the War

By DR. FELIX SOMARY, with an Introduction by Professor T. E. GREGORY, D.Sc. (Econ.), Professor of Banking and Currency in the University of London. Crown 8vo. 224 pp. $2.00, post free.

Written by an eminent Continental banker, the issues discussed range from the possibilities of Franco-German co-operation to Empire Free Trade and the dangers of continued European particularism in the face of the economic power of the United States.

Philip Snowden: The Man and His Financial Policy

By A. ANDRÉADÈS, C.B.E., Professor of Public Finance in the University of Athens. Crown 8vo. 128 pp. $1.25, post free.

Times Literary Supplement: "It is no detraction to say of Professor Andreades's little study that there is much more of Snowden the financier than about Snowden the man. His exposition of Mr. Snowden's two Budgets is clear, concised and balanced — a model in its way, and the more noteworthy because it comes from a foreigner."

The New Survey of London Life and Labour. Volume One: Forty Years of Change

Demy 8vo. 438 pp. Portrait, 7 Maps, Charts, and Diagrams. Buckram. $4.50, post free.

The Times: "It remains to commend the maps and charts, particularly the two population maps, in this extraordinarily rich and informative volume, and once more, perhaps, to emphasize the essential statistical nature of its contents, not forgetting the scrupulous way in which the method by which the statistics are used is frequently explained."

The new edition of our complete Catalogue of books on Economics, Finance, Politics and kindred subjects is now ready, and we shall be happy to send a copy to all interested on application.

P. S. KING & SON, LTD.

14 Great Smith Street **London, S.W.1., Eng.**

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Don't you want to know what these books can tell you?

Making Bolsheviks

Samuel N. Harper

The psychology of the five-year plan. "new and to the point." — *American Mercury*

"an extremely important revelation of the forces moulding new citizens." — *Atlantic Monthly*

"Professor Harper writes succinctly and fairly." — *New York Times*

$2.00

Civic Training in Soviet Russia

Samuel N. Harper

". . . complete objectivity . . . all through there is felt the background of previous detailed knowledge of Russia and an understanding sympathy with Russian life and thought." — *Slavonic Review*

"Mr. Harper's information is exceptionally rich, accurate, and reliable." — *New York Herald Tribune*

$3.00

Civic Training in Switzerland

Robert C. Brooks

". . . a thorough and comprehensive study . . ." — *Boston Evening Transcript*

"The author writes with full sympathy for the human side of his study . . . but his book does introduce us to a small but busy laboratory of political and social science." — *Chicago Evening Post*

$3.00

Filipino Immigration

Bruno Lasker

". . . the most comprehensive and impartial discussion of the entire subject to date." — *American Mercury*

". . . the first impartial survey of Filipino immigration . . . also throws light on the nature and consequences of other international migration movements." — *Sacramento Bee*

$4.00

Mandates Under the League of Nations

Quincy Wright

". . . this impressive volume, well documented and admirably planned, a work that shows on every page the evidences of years of study. . . . The presentation is complete and impartial and should remain for some time the accepted authoritative treatment . . ." — *Foreign Affairs*

$6.00

Interpretations of American Foreign Policy

Quincy Wright, Editor

". . . masterly exposition of the three main trends of current American foreign policy by George H. Blakeslee . . . the account of Canadian attitudes to foreign affairs by Percy E. Corbett is equally able." — *London Times*

$3.00

The University of Chicago Press

Kindly mention FOREIGN AFFAIRS *when writing to advertisers*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE POLITICAL QUARTERLY

A NEW PROGRESSIVE REVIEW
PUBLISHED IN ENGLAND

Editors:

William A. Robson Kingsley Martin

Editorial Board:

A. M. Carr-Saunders J. L. Hammond
G. Lowes Dickinson J. M. Keynes
T. E. Gregory H. J. Laski
Leonard Woolf

IT IS a remarkable fact that hitherto there has been no English review devoted to the serious study of political and social questions from the national and international points of view. This need has now been met by the publication of *The Political Quarterly*.

The Political Quarterly made its appearance in January 1930. It has already established a reputation for the excellence of its articles, reviews and surveys. During the past year its contributors have included such leaders of thought as John Maynard Keynes, Alfred Zimmern, H. J. Laski, Mrs. Sidney Webb, J. A. Hobson, R. H. Tawney, G. D. H. Cole, G. Lowes Dickinson, Srinivasa Sastri, Sir William Beveridge, the Bishop of Durham, etc.

The Political Quarterly should have a special appeal to thoughtful observers of political and economic change in America. It should everywhere be valuable to the professor of political science, the active politician, the administrator and the expert in the field of government.

A specimen copy will be sent on request free of charge.

The Political Quarterly is published by MACMILLAN & Co., LTD., St. Martin's Street, London, W.C.2. Price 3s. 6d. per issue. Annual Subscription $3.50 or 14s. net post free. All communications should be addressed to the offices of *The Political Quarterly*, 11 Dartmouth St., Westminster, London, S.W.1.

Binding Notice for Subscribers

This issue completes Volume 9 of FOREIGN AFFAIRS. As in the past, we again offer to bind subscribers' copies comprising this volume at actual cost.

For convenience, the year's four issues are bound in two volumes. The binding is of handsome, dark green canvas, with hand-lettering and the FOREIGN AFFAIRS seal stamped in gold, matching the binding of the first eight volumes. The bound volumes in every respect maintain the high standards of FOREIGN AFFAIRS.

Price for binding (two volumes)
$2.40

BACK ISSUES

A few copies of all the issues comprising Volume 9 are still available for purchase. Readers therefore need not be deterred from binding merely because they lack certain issues. For the time being the price of individual back issues remains $1.25 a copy.

INDEX

A title page and Index to Vol. 9 will shortly be issued. A copy will be mailed (without charge), as soon as ready, to all subscribers. Also it will be inserted in all bound volumes.

Copies for binding should be sent, postage prepaid, to this office. The name and address of the sender should appear on the wrapper. At the time of sending copies, please mail to us separately a letter of instructions, together with your remittance covering the cost of binding and any missing issues which you wish us to supply. We pay return postage on the bound books.

A limited number of copies of Vol. 9, complete and bound, are available at $7.40 each.

FOREIGN AFFAIRS
45 East 65th Street New York

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Political Handbook of the World 1931

Parliaments, Parties and Press

Edited by
Walter H. Mallory

The Political Handbook gives in compact and readable form the essential information for every country on

— the composition of government

— the programs and leaders of political parties

— the political affiliations and editors of leading newspapers.

This is the revised volume of an annual issue which was first published in 1928. It is brought up to date as of January first of this year. For the first time, details are given regarding the organization and personnel of the League of Nations.

It is indispensable to individuals and organizations interested in international relations, to libraries and newspapers, to students, editors and writers, and to all others who wish to follow intelligently events in the wider field of affairs.

"With this book at hand one may follow the changes in governments, the rise and fall of Cabinets and national movements in any part of the world. The news of the day of any country is at once given its political background and significance." — *New York Times.*

208 pages, cloth binding
$2.50 post free

PUBLISHED BY YALE UNIVERSITY PRESS FOR THE
COUNCIL ON FOREIGN RELATIONS
45 EAST 65TH STREET NEW YORK CITY

Compact Treasuries of Essential Information

The Soviet Planned Economic Order

by **William H. Chamberlin**

The author of this economic study has been a resident of the Soviet Union for *eleven years.* In his first book (Soviet Russia, A Living Record and a History) he has already extended his reputation for cool and accurate fact reporting. In this book he outlines his first hand observation of the application of Soviet economic principles, including in his appendices, translations from pertinent official documents.

Bound in maroon cloth, fully indexed. $2.50 *net*

The Pacific Area

An International Survey

by **George H. Blakeslee**

"Professor Blakeslee's qualifications as an interpreter are among the best . . . His book . . . deals with China's relations with the Powers through such questions as concessions and settlements, extra-territoriality, the tariff, foreign troops and chronic revolutions."—Isaiah Bowman in the American Library Association's Reading with a Purpose Series No. 16, *International Relations.*

Bound in maroon cloth, completely indexed. $2.00 *net*

The Reparation Settlement, 1930

by **Denys P. Myers**

"This book represents a survey of the development and liquidation of the reparation problem. It also covers in detail the structure and function of the Bank for International Settlements. Mr. Myers has given another example of his painstaking treatment of an important and comprehensive subject." — *Barron's.*

Bound in maroon cloth, completely indexed. $2.50 *net*

From your bookseller or

WORLD PEACE FOUNDATION

40 Mt. Vernon Street Boston, Mass.

Distributors in the U. S. A. for official publications of the League of Nations, International Labor Office, Permanent Court of International Justice and other bodies for official international coöperation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE SLAVONIC (AND EAST EUROPEAN) REVIEW

A Survey of the Peoples of Eastern Europe, Their History, Economics, Philology and Literature

EDITORS:
BERNARD PARES R. W. SETON-WATSON

AMERICAN CONTRIBUTING EDITORS:
SAMUEL N. HARPER ROBERT J. KERNER GEORGE R. NOYES

IN THE CURRENT ISSUE

The Crisis of Democracy and the Slavonic World.
Judas or Saul? Thoughts on the Russian People . . . . . SERGIUS BULGAKOV
The Speeches of Yaroslavsky (President of the Union of the Godless) . . . . . NICHOLAS KLEPININ
The Russian Agrarian Revolution . . . . . CYRIL ZAITSEV
Galicia and the Polish-Ukrainian Problem . . . . . BASIL PANEYKO
The Ukrainian Problem in Poland: A Polish View . . . . . STANISLAW SROKOWSKI
Some Aspects of the Polish Reformation . . . . . KONRAD GORSKI
Kossuth and Palmerston (1848–9) . . . . . EUGENE HORVÁTH
The War Scare of 1875 (ii) . . . . . WINIFRED TAFFS
The Bosnian Annexation Crisis (ii) . . . . . BERNADOTTE E. SCHMITT
Studies in Jugoslav Psychology (ii) . . . . . JOVAN CVIJIĆ
Periods in Russian Literature . . . . . D. S. MIRSKY

Price Six Shillings net. In America $1.75, *post free*
Annual Subscription, 16s.6d., *or* $4.20, *post free*

PUBLISHED THREE TIMES A YEAR BY
EYRE & SPOTTISWOODE, LTD., 6, GREAT NEW ST., LONDON
FOR THE
SCHOOL OF SLAVONIC STUDIES IN THE UNIVERSITY OF LONDON
KING'S COLLEGE

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE ECONOMIST

(Established 1843)

Britain's Leading Weekly Financial and Economic Journal

THE ECONOMIST is indispensable to those who wish to understand current events in Great Britain; is the recognized authority for banking, trade, company and price statistics; publishes a monthly detailed appreciation of the state of trade in Britain and abroad; gives in its foreign correspondence a running survey of the economic situation throughout the world.

Subscription Rate — $15 per annum

6 BOUVERIE STREET, FLEET STREET, LONDON E. C. 4

NEW YORK: International News Co., 131 Varick Street

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, etc., required by the Act of Congress of August 24, 1912, of FOREIGN AFFAIRS, Published quarterly at Concord, N. H., for April 1, 1931.

State of New York, County of New York, ss.

Before me, a Notary Public in and for the State and county aforesaid, personally appeared F. D. Caruthers, Jr., who, having been duly sworn according to law, deposes and says that he is the Business Manager of FOREIGN AFFAIRS, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 443, Postal Laws and Regulations, to wit: 1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Council on Foreign Relations, Inc., 45 E. 65th St., New York City; Editor, Hamilton Fish Armstrong, 45 E. 65th St., New York City; Business Manager, F. D. Caruthers, Jr., 45 E. 65th St., New York City. 2. That the owners are: Council on Foreign Relations, Inc. (no stockholders — about 450 members); Pres. John W. Davis, 15 Broad St., New York City; V.-Pres. Paul D. Cravath, 15 Broad St., New York City; Sec'y, Edwin F. Gay, 45 E. 65th St., New York City; Treas., Whitney H. Shepardson, 46 William St., New York City. 3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: none. 4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they may appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

F. D. CARUTHERS, JR., *Bus. Mgr.*

Sworn to and subscribed before me this 25th day of March, 1931. ESTHER L. GILBERT. (My commission expires March 30, 1932.)

FOREIGN AFFAIRS BOOK SERVICE

Any book published in the United States will be supplied, post free, at the publisher's regular list price

As many books as desired may be ordered together. Books of foreign publishers cannot be supplied. In ordering, give the title of the book wanted, together with the publisher's name, if possible, and remit the regular list price. The book will be sent to you *post free*.

✧

BOOK SERVICE

FOREIGN AFFAIRS

45 East 65th Street New York

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

INTERNATIONAL LAW

A RESTATEMENT OF PRINCIPLES IN CONFORMITY WITH ACTUAL PRACTICE

By **Ellery C. Stowell**

"Professor Stowell has performed a notable service to the profession and should feel well satisfied. It is a beautifully printed book, and gracefully written, as well as being written in the best scholarly style. But perhaps its chief merit lies in the independence the author has shown in the choice of its substance; that is, in its departures rather than in its conformities. He is the author of his own book." — DANIEL C. STANWOOD in *The American Journal of International Law.* $4.75

INTERNATIONAL RELATIONS

By **Raymond Leslie Buell**

"The revised edition brings the book up to date and greatly increases the value of what has proven to be one of the most important contributions to the literature of international relations which has been published since the war." — J. W. GARNER in *The Annals of The American Academy of Political and Social Science.* $4.00

NEW GOVERNMENTS OF EASTERN EUROPE

By **Malbone W. Graham, Jr.**

"An eminently sound judgment has informed the treatment. The reader has a sense of confident, competent guidance through the jungle of the unfamiliar names and political forces." — HARRY R. SPENCER in *The American Political Science Review.* $4.00

HENRY HOLT AND COMPANY

One Park Avenue **New York**

Directory of American Agencies Concerned with the Study of International Affairs

Compiled by Ruth Savord

Librarian, Council on Foreign Relations

With an Introduction by Dr. Isaiah Bowman

This directory has been compiled to meet the need for a compact and accurate guide to the agencies in the United States which are seeking through special aims and methods to bring about a better knowledge of world affairs. Information on the purposes, officers, staffs, finances, activities, membership, facilities for study, and the publications issued by each is given for 98 organizations. In addition, there is a supplementary list of 73 organizations.

152 pages, cloth binding, $1.75 post free

COUNCIL ON FOREIGN RELATIONS, INC.

45 EAST 65TH STREET NEW YORK CITY

Kindly mention FOREIGN AFFAIRS *when writing to advertisers*

RUMFORD PRESS
CONCORD, N.H.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A
hotel of the
type that ap-
peals to men
and women
who read
Foreign
Affairs

The Madison

HOTEL and RESTAURANT
MADISON AVE. at 58th ST.
New York City
Cable Address "Madisotel"

★

THEODORE TITZE, Managing Director

Kindly mention FOREIGN AFFAIRS *when writing to advertisers*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LEE, HIGGINSON & CO.

HIGGINSON & CO.
LONDON

LEE, HIGGINSON ET CIE
PARIS

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED